1999; to the Committee on Commerce, Science, and Transportation.

EC–1743. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Safety/Security Zone Regulation; Willamette River, Portland, OR'' (Docket 13–98–030) received on February 5, 1999; to the Committee on Commerce, Science, and Transportation.

EC–1744. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Security/Safety Zone Regulation; Willamette River, Portland, OR'' (Docket 13–98–031) received on February 5, 1999; to the Committee on Commerce, Science, and Transportation.

EC–1745. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Security Zone; Vice President Gore's Visit to Seattle, Washington'' (Docket 13–98–032) received on February 5, 1999; to the Committee on Commerce, Science, and Transportation.

EC–1746. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Safety Zone Regulations, Commencement Bay, Tacoma, Washington'' (Docket 13–98–033) received on February 5, 1999; to the Committee on Commerce, Science, and Transportation.

EC–1747. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Safety Zone; Neptune Festival Fireworks Display, Atlantic Ocean, Virginia Beach, VA'' (Docket 13–98–086) received on February 5, 1999; to the Committee on Commerce, Science, and Transportation.

EXECUTIVE REPORT OF COMMITTEE

The following executive report of committee was submitted:

By Mr. CAMPBELL, from the Committee on Indian Affairs:

Montie R. Deer, of Kansas, to be Chairman of the National Indian Gaming Commission for the term of three years.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BINGAMAN:

S. 397. A bill to authorize the Secretary of Energy to establish a multiagency program in support of the Materials Corridor Partnership Initiative to promote energy efficient, environmentally sound economic development along the border with Mexico through the research, development, and use of new materials; to the Committee on Energy and Natural Resources.

By Mr. CAMPBELL:

S. 398. A bill to require the Secretary of the Treasury to mint coins in commemoration of Native American history and culture; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CAMPBELL (for himself and Mr. INOUYE):

S. 399. A bill to amend the Indian Gaming Regulatory Act, and for other purposes; to the Committee on Indian Affairs.

S. 400. A bill to provide technical corrections to the Native American Housing Assistance and Self-Determination Act of 1996, to improve the delivery of housing assistance to Indian tribes in a manner that recognizes the right of tribal self-governance, and for other purposes; to the Committee on Indian Affairs.

S. 401. A bill to provide for business development and trade promotion for native Americans, and for other purposes; to the Committee on Indian Affairs.

By Mr. INOUYE:

S. 402. A bill for the relief of Alfredo Tolentino of Honolulu, Hawaii; to the Committee on Governmental Affairs.

By Mr. ALLARD (for himself and Mr. SANTORUM):

S. 403. A bill to prohibit implementation of ''Know Your Customer'' regulations by the Federal banking agencies; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. THOMAS (for himself, Mr. ENZI, Mr. HELMS, Mr. MURKOWSKI, Mr. COVERDELL, Mr. HAGEL, Mr. SMITH of Oregon, Mr. SMITH of New Hampshire, Mr. ROBERTS, Mr. NICKLES, and Mr. SESSIONS):

S. 404. A bill to prohibit the return of veterans memorial objects to foreign nations without specific authorization in law; to the Committee on Veterans Affairs.

By Mr. HOLLINGS:

S. 405. A bill to prohibit the operation of civil supersonic transport aircraft to or from airports in the United States under certain circumstances; to the Committee on Commerce, Science, and Transportation.

By Mr. MURKOWSKI (for himself, Mr. LOTT, Mr. BAUCUS, Mr. INHOFE, Mr. COCHRAN, Mr. CAMPBELL, and Mr. INOUYE):

S. 406. A bill to amend the Indian Health Care Improvement Act to make permanent the demonstration program that allows for direct billing of medicare, medicaid, and other third party payors, and to expand the eligibility under such program to other tribes and tribal organizations; to the Committee on Indian Affairs.

By Mr. LAUTENBERG (for himself, Mr. TORRICELLI, Mr. SCHUMER, Mrs. FEINSTEIN, Mr. ROBB, Mr. SARBANES, Mr. KENNEDY, Mr. KERRY, and Ms. MIKULSKI):

S. 407. A bill to reduce gun trafficking by prohibiting bulk purchases of handguns; to the Committee on the Judiciary.

By Mr. BRYAN:

S. 408. A bill to direct the Secretary of the Interior to convey a former Bureau of Land Management administrative site to the City of Carson City, Nevada, for use as a senior center; to the Committee on Energy and Natural Resources.

By Mr. KENNEDY (for himself, Mr. DOMENICI, Mr. REID, Mr. GRASSLEY, Mr. ABRAHAM, Mr. ROBB, Ms. COLLINS, Mrs. BOXER, Mr. SANTORUM, Mr. SARBANES, and Ms. SNOWE):

S. 409. A bill to authorize qualified organizations to provide technical assistance and capacity building services to microenterprise development organizations and programs and to disadvantaged entrepreneurs using funds from the Community Development Financial Institutions Fund, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. GRASSLEY (for himself and Mr. KERREY):

S. Con. Res. 8. A concurrent resolution expressing the sense of Congress that assistance should be provided to pork producers to alleviate economic conditions faced by the producers; to the Committee on Agriculture, Nutrition, and Forestry.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BINGAMAN:

S. 397. A bill to authorize the Secretary of Energy to establish a multiagency program in support of the Materials Corridor Partnership Initiative to promote energy efficient, environmentally sound economic development along the border with Mexico through the research, development, and use of new materials; to the Committee on Energy and Natural Resources.

NATIONAL MATERIALS CORRIDOR PARTNERSHIP ACT OF 1999

• Mr. BINGAMAN. Mr. President, today I am pleased to introduce the ''National Materials Corridor Partnership Act of 1999.'' This bill will establish a comprehensive, multiagency program, led by the Department of Energy, to promote energy efficient, environmentally sound economic development along the U.S.-Mexican border through the research, development, and use of new materials technology. I am also pleased to say that I developed this bill with Congressman GEORGE BROWN, the ranking member of the House Science Committee, who will introduce it in the House of Representatives.

As many of you are aware, NAFTA and the globalization of our economy have created a surge of economic growth all along the 2000 mile U.S.-Mexican border. The border region has become a major center for manufacturing and assembly in many industries, such as microelectronics and automobile parts, as well as a center for many materials industries, such as metals and plastics. However, with this economic growth have come serious problems. Pollution, hazardous wastes, and the inefficient use of resources threaten people's health and the prospects for long term economic growth. For example, there are numerous ''nonattainment'' regions for carbon monoxide and ozone along the border. If you've been down to the El Paso area, where New Mexico, Texas, and Mexico come together, your eyes and nose will tell you something's not as it should be.

However, solutions to some of these problems may lie close at hand—in new materials technologies. There are many research institutions along both sides of the border which have expertise in materials technology. In my state alone, Los Alamos and Sandia National Labs, New Mexico Tech, and the University of New Mexico, among others, are all involved in materials research. The importance of materials technology is often underappreciated, perhaps because it is so ubiquitous. But in many cases it is the very wellspring of technological revolutions. We have named various epochs of our history after new materials—the Stone Age, the Bronze Age, the Iron Age—because of how powerfully they can change our lives. Even today, materials science gave us the transistors and fiber optics lines that created the information age, the age of Silicon Valley. Materials technology can be a very powerful tool for improving people's standard of living.

Of course, the technologies coming out of this program are unlikely to create a new age, but they will be extremely helpful. For example, there are many family operated brick factories along the border which use very dirty fuels, like old tires, to fire their kilns. This fuel is, as you might guess, extremely polluting. In fact, brick factories are the third most significant source of air pollution along the border, after automobiles and road dust. Los Alamos has looked at redesigning the kilns, a materials processing technology, to use much less fuel and have a lower reject rate. This means less pollution and suggests the possibility of maybe even using natural gas to economically fire the kilns. The end result could be a major reduction in one pollution source.

Another well known problem is the solvents the microelectronics industry uses to clean its devices during assembly, which also contribute to smog. Los Alamos has developed a way to substitute supercritical carbon dioxide for these solvents within a closed system. This substitution of materials could reduce energy consumption, processing time, and an important source of industrial pollution.

The idea for a U.S.-Mexican program to promote environmentally sound economic growth along the border via materials technology was originally suggested in 1993 by Hans Mark, then of the University of Texas, now the Director of Defense Research and Engineering. While Mexico's economic crisis of the early 90's stalled things, in 1998 the Mexican government revived the idea, proposing a ''Materials Corridor Partnership Initiative'' to the U.S.-Mexican Binational Commission, and offering $1 million of funding for it if the United States would do the same. While an informal group with many research organizations, the ''Materials Corridor Council,'' has organized itself in response, the U.S. government has yet to pick up on the Mexican offer. My legislation is meant to kick start the ''Materials Corridor Partnership Initiative'' inside the federal government.

So, what are the features of the program? It would be an interagency program led by the Department of Energy (DOE). An interagency program is a good way to bring various talents to bear on complex problems. DOE is a good choice to lead this program because its energy efficiency and national security missions, including nuclear cleanup, have led it to develop a large array of materials technologies to improve energy efficiency, reduce pollution, or handle hazardous wastes. In fact, in 1996, DOE was the largest civilian funder of materials research. Under DOE's leadership, the State Department, Environmental Protection Agency, National Science Foundation, and National Institutes of Standards and Technology will bring their complementary capabilities to the program as diplomats, environmental scientists, basic researchers, and standards experts.

The program will focus on materials technology to improve energy efficiency, minimize or eliminate pollution and global climate change gases, and use recycled materials as primary materials through three types of projects. First, there will be applied research projects aimed at showing the feasibility of a materials technology in order to hasten its adoption by industry. These projects will typically be led by companies, and to ensure the firms are really interested in the technology, the federal government will pay no more than 50% of the cost of such a project. Second, there will be basic research projects to discover new knowledge useful in creating these materials technologies; these will typically be led by an academic or other research institutions. Third, there will education and training projects to train border scientists, engineers, and workers in these new technologies. To cover this, the bill authorizes $5 million per year for five years.

Finally, this program will be a cooperative program with Mexico. Our border is, by definition, something we share. We share its opportunities and its problems, so it makes sense to share the solutions. Pollution needs no passport. Now, perhaps we will still be able to pick up Mexico's offer of $1 million for this program, but, in any event, the bill calls upon the Secretary of Energy to encourage Mexican organizations to contribute to it. And, to foster U.S.-Mexican cooperation whenever possible, the bill allows U.S. funds to be used by organizations located in Mexico provided Mexican organizations contribute significant resources to that particular project. Working closely with the Mexicans to solve our common problems will be much more effective than trying to go it alone.

Mr. President, I think the ''National Materials Corridor Partnership Act of 1999'' is an idea whose time has finally arrived. I hope my colleagues, particularly from the states along the U.S.-Mexican border, will join me in supporting this important piece of legislation.

Mr. President, I ask unanimous consent that the text of the bill be placed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows.

S. 397

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''National Materials Corridor Partnership Act of 1999''.

SEC. 2. FINDINGS.

Congress finds that—

(1) the region adjacent to the 2,000-mile border between the United States and Mexico is an important region for energy-intensive manufacturing and materials industries critical to the economic and social wellbeing of both countries;

(2) there are currently more than 800 multinational firms (including firms known as ''maquiladoras'') representing United States investments of more than $1,000,000,000 in the San Diego, California, and Tijuana, Baja California, border region and in the El Paso, Texas, and Juarez, Chihuahua, border region;

(3) materials and materials-related industries comprise a major portion of the industries operating on both sides of the border, amounting to more than $6,800,000,000 in annual commerce on the Mexican side alone;

(4) there are a significant number of major institutions in the border States of both countries currently conducting academic and research activities in materials;

(5)(A) the United States Government currently invests approximately $1,000,000,000 annually in materials research, of which, in 1996, the Department of Energy funded the largest proportion of civilian materials research; and

(B) there are also major materials programs at the National Science Foundation, the National Institute of Standards and Technology, and Department of Defense, among other entities;

(6) the United States and Mexico have invested heavily in domestic and binational cooperative programs to address major concerns for the natural resources, environment, and public health of the United States-Mexico border region, expending hundreds of millions of dollars annually in those efforts;

(7)(A) scientific and technical advances in materials and materials processing provide major opportunities for—

(i) significantly improving energy efficiency;

(ii) reducing emissions of global climate change gases;

(iii) using recycled natural resources as primary materials for industrial production; and

(iv) minimizing industrial wastes and pollution; and

(B) such advances will directly benefit both sides of the United States-Mexico border by encouraging energy efficient, environmentally sound economic development that

protects the health and natural resources of the border region;

(8)(A) promoting clean materials industries in the border region that are energy efficient has been identified as a high priority issue by the United States-Mexico Foundation for Science Cooperation; and

(B) at the 1998 discussions of the United States-Mexico Binational Commission, Mexico formally proposed joint funding of a ''Materials Corridor Partnership Initiative'', proposing $1,000,000 to implement the Initiative if matched by the United States;

(9) recognizing the importance of materials and materials processing, academic and research institutions in the border States of both the United States and Mexico, in conjunction with private sector partners of both countries, and with strong endorsement from the Government of Mexico, in 1998 organized the Materials Corridor Council to implement a cooperative program of materials research and development, education and training, and sustainable industrial development as part of the Materials Corridor Partnership Initiative; and

(10) successful implementation of the Materials Corridor Partnership Initiative would advance important United States energy, environmental, and economic goals not only in the United States-Mexico border region but also as a model for similar collaborative materials initiatives in other regions of the world.

SEC. 3. PURPOSE.

The purpose of this Act is to establish a multiagency program in support of the Materials Corridor Partnership Initiative referred to in section 2(8) to promote energy efficient, environmentally sound economic development along the United States-Mexico border through the research, development, and use of new materials technology.

SEC. 4. DEFINITIONS.

In this Act:

(1) PROGRAM.—The term ''program'' means the program established under section 5(a).

(2) SECRETARY.—The term ''Secretary'' means the Secretary of Energy.

SEC. 5. ESTABLISHMENT AND IMPLEMENTATION OF THE PROGRAM.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary shall establish a comprehensive program to promote energy efficient, environmentally sound economic development along the United States-Mexico border through the research, development, and use of new materials technology.

(2) CONSIDERATIONS.—In developing the program, the Secretary shall give due consideration to the proposal made to the United States-Mexico Binational Commission for the Materials Corridor Partnership Initiative.

(b) PARTICIPATION OF OTHER FEDERAL AGENCIES.—The Secretary shall organize and conduct the program jointly with—

(1) the Department of State;

(2) the Environmental Protection Agency;

(3) the National Science Foundation;

(4) the National Institute of Standards and Technology; and

(5) any other departments or agencies the participation of which the Secretary considers appropriate.

(c) PARTICIPATION OF THE PRIVATE SECTOR.—When appropriate, funds made available under this Act shall be made available for research and development or education and training activities that are conducted with the participation and support of private sector organizations located in the United States and, subject to section 7(c)(2), Mexico, to promote and accelerate in the United States-Mexico border region the use of energy efficient, environmentally sound technologies and other advances resulting from the program.

(d) MEXICAN RESOURCE CONTRIBUTIONS.—The Secretary shall—

(1) encourage public, private, nonprofit, and academic organizations located in Mexico to contribute significant financial and other resources to the program; and

(2) take any such contributions into account in conducting the program.

(e) TRANSFER OF TECHNOLOGY FROM NATIONAL LABORATORIES.—In conducting the program, the Secretary shall emphasize the transfer and use of materials technology developed by the national laboratories of the Department of Energy before the date of enactment of this Act.

SEC. 6. ACTIVITIES AND MAJOR PROGRAM ELEMENTS.

(a) ACTIVITIES.—Funds made available under this Act shall be made available for research and development and education and training activities that are primarily focused on materials, and the synthesis, processing, and fabrication of materials, that promote—

(1) improvement of energy efficiency;

(2) elimination or minimization of emissions of global climate change gases and contaminants;

(3) minimization of industrial wastes and pollutants; and

(4) use of recycled resources as primary materials for industrial production.

(b) MAJOR PROGRAM ELEMENTS.—

(1) IN GENERAL.—The program shall have the following major elements:

(A) Applied research, focused on maturing and refining materials technologies to demonstrate the feasibility or utility of the materials technologies.

(B) Basic research, focused on the discovery of new knowledge that may eventually prove useful in creating materials technologies to promote energy efficient, environmentally sound manufacturing.

(C) Education and training, focused on educating and training scientists, engineers, and workers in the border region in energy efficient, environmentally sound materials technologies.

(2) APPLIED RESEARCH.—Applied research projects under paragraph (1)(A) should typically involve significant participation from private sector organizations that would use or sell such a technology.

(3) BASIC RESEARCH.—Basic research projects conducted under paragraph (1)(B) should typically be led by an academic or other research institution.

SEC. 7. PARTICIPATION OF DEPARTMENTS AND AGENCIES OTHER THAN THE DEPARTMENT OF ENERGY.

(a) AGREEMENT.—Not later than 120 days after the date of enactment of this Act, the Secretary shall enter into an agreement with the departments and agencies referred to in section 5(b) on the coordination and implementation of the program.

(b) ACTIONS OF DEPARTMENTS AND AGENCIES.—Any action of a department or agency under an agreement under subsection (a) shall be the responsibility of that department or agency and shall not be subject to approval by the Secretary.

(c) USE OF FUNDS.—

(1) IN GENERAL.—The Secretary and the departments and agencies referred to in section 5(b) may use funds made available for the program for research and development or education and training activities carried out by—

(A) State and local governments and academic, nonprofit, and private organizations located in the United States; and

(B) State and local governments and academic, nonprofit, and private organizations located in Mexico.

(2) CONDITION.—Funds may be made available to a State or local government or organization located in Mexico only if a government or organization located in Mexico (which need not be the recipient of the funds) contributes a significant amount of financial or other resources to the project to be funded.

(d) TRANSFER OF FUNDS.—The Secretary may transfer funds to the departments and agencies referred to in section 5(b) to carry out the responsibilities of the departments and agencies under this Act.

SEC. 8. PROGRAM ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary shall establish an advisory committee consisting of representatives of the private, academic, and public sectors.

(2) CONSIDERATIONS.—In establishing the advisory committee, the Secretary shall take into consideration organizations in existence on the date of enactment of this Act, such as the Materials Corridor Council and the Business Council for Sustainable Development-Gulf Mexico.

(b) CONSULTATION AND COORDINATION.—Departments and agencies of the United States to which funds are made available under this Act shall consult and coordinate with the advisory committee in identifying and implementing the appropriate types of projects to be funded under this Act.

SEC. 9. FINANCIAL AND TECHNICAL ASSISTANCE.

(a) IN GENERAL.—Federal departments and agencies participating in the program may provide financial and technical assistance to other organizations to achieve the purpose of the program.

(b) APPLIED RESEARCH.—

(1) USE OF COOPERATIVE AGREEMENTS.—

(A) IN GENERAL.—Federal departments and agencies shall, to the extent practicable, use cooperative agreements to fund applied research activities by organizations outside the Federal Government.

(B) NATIONAL LABORATORIES.—In the case of an applied research activity conducted by a national laboratory, a funding method other than a cooperative agreement may be used if such a funding method would be more administratively convenient.

(2) FEDERAL SHARE.—

(A) IN GENERAL.—The Federal Government shall pay not more than 50 percent of the cost of applied research activities under the program.

(B) QUALIFIED FUNDING AND RESOURCES.—No funds or other resources expended either before the start of a project under the program or outside the scope of work covered by the funding method determined under paragraph (1) shall be credited toward the non-Federal share of the cost of the project.

(c) BASIC RESEARCH AND EDUCATION AND TRAINING.—

(1) IN GENERAL.—Federal departments and agencies shall, to the extent practicable, use grants to fund basic research and education and training activities by organizations outside the Federal Government.

(2) NATIONAL LABORATORIES.—In the case of a basic research or education activity conducted by a national laboratory, a funding method other than a grant may be used if such a funding method would be more administratively convenient.

(3) FEDERAL SHARE.—The Federal Government may fund 100 percent of the cost of the

basic research and education and training activities of the program.

(d) COMPETITIVE SELECTION.—All projects funded under the program shall be competitively selected using such selection criteria as the Secretary, in consultation with the departments and agencies referred to in section 5(b), determines to be appropriate.

(e) ACCOUNTING STANDARDS.—

(1) WAIVER.—To facilitate participation in the program, Federal departments and agencies may waive any requirements for Government accounting standards by organizations that have not established such standards.

(2) GAAP.—Generally accepted accounting principles shall be sufficient for projects under the program.

(f) NO CONSTRUCTION.—No program funds may be used for construction.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this Act $5,000,000 for each of fiscal years 2000 through 2004.●

By Mr. CAMPBELL:

S. 398. A bill to require the Secretary of the Treasury to mint coins in commemoration of Native American history and culture; to the Committee on Banking, Housing, and Urban Affairs.

THE BUFFALO COIN ACT OF 1999

● Mr. CAMPBELL. Mr. President, today I introduce the Buffalo Nickel Coin Act, a bill based on legislation I introduced in the 105th Congress, S. 1112 and Senate Amendment 3013. This bill authorizes the minting of a limited-edition commemorative coin, based on the design of the original Buffalo Nickel, which was in circulation from 1913 to 1938. It also directs the dedication of profits from the sale of the coin to the construction of the Smithsonian's Museum of the Native American. This bill is in compliance with U.S.C. Title 31, the Commemorative Coin Act.

In February 1998, I presented the design of the coin to the Mint and provided testimony regarding the history of the nickel and its design. Former Ambassador to Austria and Colorado buffalo rancher, Swanee Hunt, joined me at this presentation to share her support.

Since then I have been working closely with officials at the Treasury and the Citizens Commemorative Coin Advisory Committee. The recommendation of the Committee is necessary in order to bring the coin into circulation. In their 1998 annual report, the Committee approved the minting of a half-dollar coin, based on the design of the Buffalo Nickel, which will go into circulation in 2001. The Committee's recommendation to put the coin into circulation in 2001 will coincide well with the Museum's scheduled opening date of 2002.

This legislation reflects the goals of all interested parties, and still maintains the original goal of raising funds for the preservation of Native American artifacts in the Museum of the American Indian. I urge my colleagues to support passage of this bill.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 398

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Buffalo Coin Act of 1999''.

SEC. 2. BUFFALO HALF-DOLLAR.

Section 5112 of title 31, United States Code, is amended by adding at the end the following:

''(n) BUFFALO HALF-DOLLAR.—

''(1) DENOMINATIONS.—Notwithstanding any other provision of law, during the 3-year period beginning on January 1, 2001, the Secretary shall mint and issue each year not more than 500,000 half-dollar coins, minted in accordance with this title.

''(2) DESIGN REQUIREMENTS.—The design of the half-dollar coins minted under this subsection shall be based on the original 5-cent buffalo nickel designed by James Earle Fraser and minted from 1913 to 1938. Each coin shall have on the obverse side a profile representation of a Native American, and on the reverse side a representation of a buffalo.

''(3) SELECTION.—The design for the coins minted under this subsection shall be—

''(A) selected by the Secretary, after consultation with the Committee on Banking, Housing, and Urban Affairs of the Senate, the Committee on Indian Affairs of the Senate, and the Commission of Fine Arts; and

''(B) reviewed by the Citizens Commemorative Coin Advisory Committee.

''(4) QUALITY OF COINS.—Coins minted under this subsection shall be issued in uncirculated and proof qualities.

''(5) SOURCES OF BULLION.—The Secretary shall obtain silver for minting coins under this subsection from sources that the Secretary deems appropriate, including from stockpiles established under the Strategic and Critical Materials Stockpiling Act.

''(6) MINT FACILITY.—Only 1 facility of the United States Mint may be used to strike any particular quality of the coins minted under this subsection.

''(7) SALE OF COINS.—

''(A) IN GENERAL.—The coins issued under this subsection shall be sold by the Secretary at a price equal to the sum of—

''(i) the face value of the coins;

''(ii) the surcharge provided in subparagraph (D) with respect to such coins; and

''(iii) the cost of designing and issuing the coins (including labor, materials, dies, use of machinery, overhead expenses, marketing, and shipping).

''(B) BULK SALES.—The Secretary shall make bulk sales of the coins issued under this subsection at a reasonable discount.

''(C) PREPAID ORDERS.—The Secretary shall accept prepaid orders for the coins minted under this subsection before the issuance of such coins. Sale prices with respect to prepaid orders shall be at a reasonable discount.

''(D) SURCHARGES.—All sales of coins minted under this subsection shall include a surcharge of $3.00 per coin.

''(8) DISTRIBUTION OF SURCHARGES.—

''(A) IN GENERAL.—All surcharges received by the Secretary from the sale of coins issued under this subsection shall be paid promptly by the Secretary to the Numismatic Public Enterprise Fund established under section 5134.

''(B) PROCEEDS.—Proceeds from the sale of coins minted under this subsection shall be made available to the National Museum of the American Indian for the purposes of—

''(i) commemorating the tenth anniversary of the establishment of the Museum; and

''(ii) supplementing the endowment and educational outreach funds of the Museum.''.●

By Mr. CAMPBELL (for himself and Mr. INOUYE):

S. 399. A bill to amend the Indian Gaming Regulatory Act, and for other purposes; to the Committee on Indian Affairs.

INDIAN GAMING REGULATORY IMPROVEMENT ACT OF 1999

● Mr. CAMPBELL. Mr. President, today I introduce the Indian Gaming Regulatory Improvement Act of 1999, co-sponsored by Senator INOUYE, to address two critical elements related to the federal component of Indian gaming regulation.

With any legislation affecting Indian gaming, it is important to keep in mind the aims of the 1988 Indian Gaming Regulatory Act (IGRA): ensuring that gaming continues to be a tool for Indian economic development, and ensuring that the games conducted are kept free from corrupting forces to maintain the integrity of the industry.

First, this bill provides necessary reforms in the area of gaming regulation by requiring that the National Indian Gaming Commission and the gaming tribes themselves, develop and implement a system of minimum internal control, background investigation and licensing standards for all tribes that operate class II and class III gaming.

My intention in proposing these standards is to guarantee that gaming is conducted in a safe and fair manner at every tribal gaming facility in the United States not only to preserve gaming integrity but to provide certainty and security to the consumers of Indian gaming.

Second, this legislation provides that the fees assessed are used only for the regulatory activities of the National Indian Gaming Commission (NIGC) by requiring that all fees be paid into a trust fund, which may only be accessed by the NIGC for purposes approved by Congress.

The existing federal Indian gaming law was passed by Congress more than ten years ago. At that time, gaming was a small industry, consisting mainly of high stakes bingo operations, termed ''class II'' gaming under the statute.

In 1988, virtually no one contemplated that gaming would become the billion dollar industry that exists today, providing tribes with much needed capital for development and employment opportunities where none previously existed.

Because of gaming, some tribes have been wildly successful, fortunate because of their geographical location. These tribes employ thousands of people, both Indian and non-Indian, and

have greatly reduced the welfare rolls in their local area.

Though gaming revenues have exploded in the last ten years, the IGRA has been significantly amended only one time. In 1997, I introduced an amendment that would allow the NIGC to assess fees against casino-style gaming operations, termed ''class III'' gaming under the statute, and to fund its regulatory efforts in Indian Country.

Mr. President, these additional fees are necessary to ensure meaningful federal involvement in the regulation of class III gaming. As of January 1, 1998, approximately 77% of NIGC-approved management contracts were for class III operations. In 1997, the NIGC processed some 18,000 fingerprint cards and 21,000 investigative reports. The Commission also approved some 241 tribal gaming ordinances and, importantly, took 53 formal enforcement actions. The vast majority of these enforcement actions were issued against class III operations. Most striking, before the 1997 amendment was enacted, the NIGC employed only 7 investigators who were responsible for monitoring the entire Indian gaming industry.

The 1997 amendment has enabled the NIGC to take steps to increase its regulation and enforcement efforts. Additionally, the Commission has been able to hire much-needed field investigators who are personally responsible for monitoring local tribal gaming operations. The Commission should be applauded for these activities.

What these facts and figures do not reveal, however, is the significant amount of tribal and joint tribal-state regulatory activities undertaken at the local level. It should be noted that many Indian tribes, often working with the states where gaming is located, have developed sophisticated regulatory frameworks for their gaming operations.

Many of those tribes have put in place standards regarding rules of play for their games, as well as financial and accounting standards for their operations. They are significant and for many tribes contribute the bulk of regulatory activities under the IGRA.

The amendment I propose today would require the NIGC, prior to assessing any fee against an Indian gaming operation, to determine the nature and level of any such tribal or joint tribal-state regulatory activities and to reduce the fees assessed accordingly.

The goals of this provision are twofold: to provide the NIGC with the resources it needs to carry out its obligations under the IGRA, but to recognize the often significant regulatory activities at the local level.

It is important for us to keep these facts, and the goals of the gaming statute, in mind. Where gaming exists, it provides a great opportunity for tribes to develop other business and development projects. However, it must be our goal, and it is my mission, to assist the tribes in the development of their economies through clean and efficient gaming operations.

I urge my colleagues to support these reasonable and necessary amendments.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 399

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Indian Gaming Regulatory Improvement Act of 1999''.

SEC. 2. AMENDMENTS TO THE INDIAN GAMING REGULATORY ACT.

The Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.) is amended—

(1) by striking the first section and inserting the following:

''SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

''(a) SHORT TITLE.—This Act may be cited as the 'Indian Gaming Regulatory Act'.

''(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

''Sec. 1. Short title; table of contents.
''Sec. 2. Congressional findings.
''Sec. 3. Purposes.
''Sec. 4. Definitions.
''Sec. 5. National Indian Gaming Commission.
''Sec. 6. Powers of Chairman.
''Sec. 7. Powers of Commission.
''Sec. 8. Commission staffing.
''Sec. 9. Commission—access to information.
''Sec. 10. Minimum standards.
''Sec. 11. Rulemaking.
''Sec. 12. Tribal gaming ordinances.
''Sec. 13. Management contracts.
''Sec. 14. Civil penalties.
''Sec. 15. Judicial review.
''Sec. 16. Subpoena and deposition authority.
''Sec. 17. Investigative powers.
''Sec. 18. Commission funding.
''Sec. 19. Authorization of appropriations.
''Sec. 20. Gaming on lands acquired after October 17, 1988.
''Sec. 21. Dissemination of information.
''Sec. 22. Severability.
''Sec. 23. Criminal penalties.
''Sec. 24. Conforming amendment.'';

(2) by striking sections 2 and 3 and inserting the following:

''SEC. 2. CONGRESSIONAL FINDINGS.

''Congress finds that—

''(1) Indian tribes are—

''(A) engaged in the operation of gaming activities on Indian lands as a means of generating tribal governmental revenue; and

''(B) licensing those activities;

''(2) because of the unique political and legal relationship between the United States and Indian tribes, Congress has the responsibility of protecting tribal resources and ensuring the continued viability of Indian gaming activities conducted on Indian lands;

''(3) clear Federal standards and regulations for the conduct of gaming on Indian lands will assist tribal governments in assuring the integrity of gaming activities conducted on Indian lands;

''(4) a principal goal of Federal Indian policy is to promote tribal economic development, tribal self-sufficiency, and strong Indian tribal governments;

''(5) Indian tribes have the exclusive right to regulate gaming activity on Indian lands, if the gaming activity—

''(A) is not specifically prohibited by Federal law; and

''(B) is conducted within a State that does not, as a matter of criminal law and public policy, prohibit that gaming activity;

''(6) Congress has the authority to regulate the privilege of doing business with Indian tribes in Indian country (as defined in section 1151 of title 18, United States Code);

''(7) systems for the regulation of gaming activities on Indian lands should meet or exceed federally established minimum regulatory requirements;

''(8) the operation of gaming activities on Indian lands has had a significant impact on commerce with foreign nations, and among the several States, and with the Indian tribes; and

''(9) the Constitution of the United States vests Congress with the powers to regulate commerce with foreign nations, and among the several States, and with the Indian tribes, and this Act is enacted in the exercise of those powers.

''SEC. 3. PURPOSES.

''The purposes of this Act are as follows:

''(1) To ensure the right of Indian tribes to conduct gaming activities on Indian lands in a manner consistent with—

''(A) the inherent sovereign rights of Indian tribes; and

''(B) the decision of the Supreme Court in California et al. v. Cabazon Band of Mission Indians et al. (480 U.S.C. 202, 107 S. Ct. 1083, 94 L. Ed. 2d 244 (1987)), involving the Cabazon and Morongo bands of Mission Indians.

''(2) To provide a statutory basis for the conduct of gaming activities on Indian lands as a means of promoting tribal economic development, tribal self-sufficiency, and strong Indian tribal governments.

''(3) To provide a statutory basis for the regulation of gaming activities on Indian lands by an Indian tribe that is adequate to shield those activities from organized crime and other corrupting influences, to ensure that an Indian tribal government is the primary beneficiary of the operation of gaming activities, and to ensure that gaming is conducted fairly and honestly by both the operator and players.'';

(3) in section 4—

(A) by striking paragraphs (1) through (6) and inserting the following:

''(1) APPLICANT.—The term 'applicant' means any person who applies for a license pursuant to this Act, including any person who applies for a renewal of a license.

''(2) ATTORNEY GENERAL.—The term 'Attorney General' means the Attorney General of the United States.

''(3) CHAIRMAN.—The term 'Chairman' means the Chairman of the Commission.

''(4) CLASS I GAMING.—The term 'class I gaming' means social games played solely for prizes of minimal value or traditional forms of Indian gaming engaged in by individuals as a part of, or in connection with, tribal ceremonies or celebrations.'';

(B) by redesignating paragraphs (7) and (8) as paragraphs (5) and (6), respectively;

(C) in paragraph (5), as redesignated by subparagraph (B) of this paragraph, by striking ''(5)(A) The term'' and inserting ''(5) CLASS II GAMING.—(A) The term'';

(D) in paragraph (6), as redesignated by subparagraph (B) of this paragraph, by striking ''(6) The term'' and inserting ''(6) CLASS III GAMING.—The term''; and

(E) by adding after paragraph (6), as redesignated by subparagraph (B) of this paragraph, the following:

''(7) COMMISSION.—The term 'Commission' means the National Indian Gaming Commission established under section 5.

''(8) COMPACT.—The term 'compact' means an agreement relating to the operation of class III gaming on Indian lands that is entered into by an Indian tribe and a State and that is approved by the Secretary.

''(9) GAMING OPERATION.—The term 'gaming operation' means an entity that conducts class II or class III gaming on Indian lands.

''(10) INDIAN LANDS.—The term 'Indian lands' means—

''(A) all lands within the limits of any Indian reservation; and

''(B) any lands the title to which is held in trust by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.

''(11) INDIAN TRIBE.—The term 'Indian tribe' means any Indian tribe, band, nation, or other organized group or community of Indians that—

''(A) is recognized as eligible by the Secretary for the special programs and services provided by the United States to Indians because of their status as Indians; and

''(B) is recognized as possessing powers of self-government.

''(12) MANAGEMENT CONTRACT.—The term 'management contract' means any contract or collateral agreement between an Indian tribe and a contractor, if that contract or agreement provides for the management of all or part of a gaming operation.

''(13) MANAGEMENT CONTRACTOR.—The term 'management contractor' means any person entering into a management contract with an Indian tribe or an agent of the Indian tribe for the management of a gaming operation, including any person with a financial interest in that contract.

''(14) NET REVENUES.—With respect to a gaming activity, net revenues shall constitute—

''(A) the annual amount of money wagered; reduced by

''(B)(i) any amounts paid out during the year involved for prizes awarded;

''(ii) the total operating expenses for the year involved (excluding any management fees) associated with the gaming activity; and

''(iii) an allowance for amortization of capital expenses for structures.

''(15) PERSON.—The term 'person' means—

''(A) an individual; or

''(B) a firm, corporation, association, organization, partnership, trust, consortium, joint venture, or other nongovernmental entity.

''(16) SECRETARY.—The term 'Secretary' means the Secretary of the Interior.'';

(4) in section 5(b)(3), by striking ''At least two members of the Commission shall be enrolled members of any Indian tribe.'' and inserting ''No fewer than 2 members of the Commission shall be individuals who—

''(A) are each enrolled as a member of an Indian tribe; and

''(B) have extensive experience or expertise in Indian affairs or policy.'';

(5) in section 6(a)(4), by striking ''provided in sections 11(d)(9) and 12'' and inserting ''provided in sections 12(d)(9) and 13'';

(6) by striking section 13;

(7) by redesignating section 12 as section 13;

(8) by redesignating section 11 as section 12;

(9) by striking section 10 and inserting the following:

''SEC. 10. MINIMUM STANDARDS.

''(a) CLASS II GAMING.—As of the date of enactment of the Indian Gaming Regulatory Improvement Act of 1999, an Indian tribe shall retain the rights of that Indian tribe, with respect to class II gaming and in a manner that meets or exceeds the minimum Federal standards established under section 11, to—

''(1) monitor and regulate that gaming;

''(2) conduct background investigations; and

''(3) establish and regulate internal control systems.

''(b) CLASS III GAMING UNDER A COMPACT.—With respect to class III gaming conducted under a compact entered into under this Act, an Indian tribe or State (or both), as provided in such a compact or a related tribal ordinance or resolution shall, in a manner that meets or exceeds the minimum Federal standards established by the Commission under section 11—

''(1) monitor and regulate that gaming;

''(2) conduct background investigations; and

''(3) establish and regulate internal control systems.'';

(10) by inserting after section 10 the following:

''SEC. 11. RULEMAKING.

''(a) IN GENERAL.—Subject to subsection (b), not later than 180 days after the date of enactment of the Indian Gaming Regulatory Improvement Act of 1999, the Commission shall, in accordance with the rulemaking procedures under chapter 5 of title 5, United States Code, promulgate minimum Federal standards relating to background investigations, internal control systems, and licensing standards described in section 10. In promulgating the regulations under this section, the Commission shall consult with the Attorney General, Indian tribes, and appropriate States.

''(b) FACTORS FOR CONSIDERATION.—In promulgating the minimum standards under this section, the Commission may give appropriate consideration to existing industry standards at the time of the development of the standards and, in addition to considering those existing standards, the Commission shall consider—

''(1) the unique nature of tribal gaming as compared to commercial gaming, other governmental gaming, and charitable gaming;

''(2) the broad variations in the nature, scale, and size of tribal gaming activity;

''(3) the inherent sovereign rights of Indian tribes with respect to regulating the affairs of Indian tribes;

''(4) the findings and purposes under sections 2 and 3;

''(5) the effectiveness and efficiency of a national licensing program for vendors or management contractors; and

''(6) any other matter that is consistent with the purposes under section 3.'';

(11) in section 12, as redesignated by paragraph (8) of this section—

(A) by striking subsection (a) and inserting the following:

''(a) CLASS I GAMING.—Class I gaming on Indian lands shall be within the exclusive jurisdiction of the Indian tribes and shall not be subject to the provisions of this Act.'';

(B) in subsection (b)—

(i) in paragraph (1)—

(I) in subparagraph (A), by striking ''and'' at the end;

(II) in subparagraph (B), by striking the period at the end and inserting ''; and''; and

(III) by striking the flush language following subparagraph (B) and inserting the following:

''(C) such Indian gaming meets or exceeds the requirements of this section and the standards established by the Commission under section 11.'';

(ii) in paragraph (2)—

(I) in subparagraph (D), by striking ''$25,000'' and inserting ''$100,000'';

(II) in subparagraph (E), by striking ''and'' at the end; and

(III) in subparagraph (F)—

(aa) by striking subclause (I) of clause (ii) and inserting the following:

''(I) a tribal license for primary management officials and key employees of the gaming enterprise, issued in accordance with the standards established by the Commission under section 11 with prompt notification to the Commission of the issuance of such licenses;''; and

(bb) in subclause (III) of clause (ii), by striking the period and inserting ''; and''; and

(ii) by adding at the end the following:

''(G) a separate license will be issued by the Indian tribe for each place, facility, or location on Indian lands at which class II gaming is conducted;'';

(C) in subsection (c), by striking paragraph (3) and inserting the following:

''(3) Any Indian tribe that operates, directly or with a management contract, a class III gaming activity may petition the Commission for a fee reduction if the Commission determines that the Indian tribe has—

''(A) continuously conducted that gaming activity for a period of not less than 3 years, including a period of not less than 1 year that begins after the date of enactment of the Indian Gaming Regulatory Improvement Act of 1999;

''(B) implemented standards that meet or exceed minimum Federal standards established under section 11;

''(C) otherwise complied with the provisions of this Act; and

''(D) paid all fees and assessments that the Indian tribe is required to pay to the Commission under this Act.''; and

(D) in subsection (d)—

(i) in paragraph (2)(B)(ii), by striking ''section 12(e)(1)(D)'' and inserting ''section 13(e)(1)(D)''; and

(ii) in paragraph (9), by striking ''section 12'' and inserting ''section 13'';

(12) in section 13, as redesignated by paragraph (7) of this section, by striking ''section 11(b)(1)'' and inserting ''section 12(b)(1)'';

(13) in section 14—

(A) in subsection (a)—

(i) in paragraph (1), by striking ''section 11 or 12'' and inserting ''section 12 or 13'';

(ii) in paragraph (3), by striking ''section 11 or 12'' and inserting ''section 12 or 13''; and

(B) in subsection (b)(1), by striking ''section 11 or 12'' and inserting ''section 12 or 13'';

(14) in section 15, by striking ''sections 11, 12, 13, and 14'' and inserting ''sections 12, 13, and 14''; and

(15) in section 18—

(A) in subsection (a)—

(i) by striking ''(a)(1) The'' and all that follows through the end of paragraph (3) and inserting the following:

''(a) IN GENERAL.—

''(1) ESTABLISHMENT OF SCHEDULE OF FEES.—Except as provided in paragraph (2)(C), the Commission shall establish a

schedule of fees to be paid to the Commission annually by each gaming operation that conducts a class II or class III gaming activity that is regulated by this Act.

''(2) RATE OF FEES.—

''(A) IN GENERAL.—The rate of fees under the schedule established under paragraph (1) imposed on the gross revenues from each activity regulated under this Act shall be as follows:

''(i) No more than 2.5 percent of the first $1,500,000 of those gross revenues.

''(ii) No more than 5 percent of amounts in excess of the first $1,500,000 of those gross revenues.

''(B) TOTAL AMOUNT.—The total amount of all fees imposed during any fiscal year under the schedule established under paragraph (1) shall not exceed $8,000,000.

''(C) MISSISSIPPI BAND OF CHOCTAW.—Nothing in this section shall be interpreted to permit the assessment of fees against the Mississippi Band of Choctaw for any portion of the 3-year period beginning on the date that is 2 years before the date of enactment of the Indian Gaming Regulatory Improvement Act of 1999.

''(3) COMMISSION AUTHORIZATION.—By a vote of not less than 2 members of the Commission, the Commission shall adopt the rate of fees authorized by this section. Those fees shall be payable to the Commission on a quarterly basis.

''(A) IN GENERAL.—The aggregate amount of fees assessed under this section shall be reasonably related to the costs of services provided by the Commission to Indian tribes under this Act (including the cost of issuing regulations necessary to carry out this Act). In assessing and collecting fees under this section, the Commission shall take into account the duties of, and services provided by, the Commission under this Act.

''(B) FACTORS FOR CONSIDERATION.—In making a determination of the amount of fees to be assessed for any class II or class III gaming activity, the Commission shall provide for a reduction in the amount of fees that otherwise would be collected on the basis of the following factors:

''(i) The extent of regulation of the gaming activity by a State or Indian tribe (or both).

''(ii) The issuance of a certificate of self-regulation (if any) for that gaming activity.

''(C) CONSULTATION.—In establishing a schedule of fees under this subsection, the Commission shall consult with Indian tribes.'';

(ii) by redesignating paragraphs (4) through (6) as paragraphs (5) through (7), respectively; and

(iii) by inserting after paragraph (3) the following:

''(4) TRUST FUND.—

''(A) ESTABLISHMENT.—There is established in the Treasury of the United States a fund to be known as the Indian Gaming Trust Fund (referred to in this paragraph as the 'Trust Fund'), consisting of—

''(i) such amounts as are—

''(I) transferred to the Trust Fund under subparagraph (B)(i); or

''(II) appropriated to the Trust Fund; and

''(ii) any interest earned on the investment of amounts in the Trust Fund under subparagraph (C).

''(B) TRANSFER OF AMOUNTS EQUIVALENT TO FEES.—

''(i) IN GENERAL.—The Secretary of the Treasury shall transfer to the Trust Fund an amount equal to the aggregate amount of fees collected under this subsection.

''(ii) TRANSFERS BASED ON ESTIMATES.—The amounts required to be transferred to the Trust Fund under clause (i) shall be transferred not less frequently than quarterly from the general fund of the Treasury to the Trust Fund on the basis of estimates made by the Secretary of the Treasury. Proper adjustment shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

''(C) INVESTMENTS.—

''(i) IN GENERAL.—It shall be the duty of the Secretary of the Treasury to invest such portion of the Trust Fund as is not, in the judgment of the Secretary of the Treasury, required to meet current withdrawals. The Secretary of the Treasury shall invest the amounts deposited under subparagraph (A) only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

''(ii) SALE OF OBLIGATIONS.—Any obligation acquired by the Trust Fund, except special obligations issued exclusively to the Trust Fund, may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

''(iii) CREDITS TO TRUST FUND.—The interest on, and proceeds from, the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

''(D) EXPENDITURES FROM TRUST FUND.—

''(i) IN GENERAL.—Amounts in the Trust Fund shall be available to the Commission, as provided in appropriations Acts, for carrying out the duties of the Commission under this Act.

''(ii) WITHDRAWAL AND TRANSFER OF FUNDS.—Upon request of the Commission, the Secretary of the Treasury shall withdraw amounts from the Trust Fund and transfer such amounts to the Commission for use in accordance with clause (i).

''(E) LIMITATION ON TRANSFERS AND WITHDRAWALS.—Except as provided in subparagraph (D)(ii), the Secretary of the Treasury may not transfer or withdraw any amount deposited under subparagraph (A).''; and

(B) in subsection (d), by striking ''section 11(d)(3)'' and inserting ''section 12(d)(3)''.

SEC. 3. CONFORMING AMENDMENTS.

(a) TITLE 10.—Section 2323a(e)(1) of title 10, United States Code, is amended by striking ''section 4(4) of the Indian Gaming Regulatory Act (102 Stat. 2468; 25 U.S.C. 2703(4))'' and inserting ''section 4(10) of the Indian Gaming Regulatory Act''.

(b) INTERNAL REVENUE CODE OF 1986.—Section 168(j)(4)(A)(iv) of the Internal Revenue Code of 1986 is amended by striking ''Indian Regulatory Act'' and inserting ''Indian Gaming Regulatory Act''.

(c) TITLE 28.—Title 28, United States Code, is amended—

(1) in section 3701(2)—

(A) by striking ''section 4(5) of the Indian Gaming Regulatory Act (25 U.S.C. 2703(5))'' and inserting ''section 4(11) of the Indian Gaming Regulatory Act''; and

(B) by striking ''section 4(4) of such Act (25 U.S.C. 2703(4))'' and inserting ''section 4(10) of such Act''; and

(2) in section 3704(b), by striking ''section 4(4) of the Indian Gaming Regulatory Act'' and inserting ''section 4(10) of the Indian Gaming Regulatory Act''.●

By Mr. CAMPBELL (for himself and Mr. INOUYE):

S. 400. A bill to provide technical corrections to the Native American Housing Assistance and Self-Determination Act of 1996, to improve the delivery of housing assistance to Indian tribes in a manner that recognizes the right of tribal self-governance, and for other purposes; to the Committee on Indian Affairs.

NATIVE AMERICAN HOUSING ASSISTANCE AND SELF-DETERMINATION ACT AMENDMENTS OF 1999

● Mr. CAMPBELL. Mr. President, in 1996 Congress enacted historic legislation involving the financing, construction, and maintenance of housing for American Indians and Alaska Natives. With this initiative, called the Native American Housing Assistance and Self-Determination Act (NAHASDA), decisions regarding Indian housing are no longer solely a matter for the Department of Housing and Urban Development (HUD).

Consistent with principles of local autonomy and Indian self-determination, NAHASDA enables tribes—for the first time—to develop and implement housing plans that meet their needs, and in a way that is more efficient. The Act requires that funds for Indian housing be provided to Indian tribes in housing block grants with monitoring and oversight provided by HUD.

I am hopeful that the successes achieved by tribes who participate in the Indian Self-Determination and Education Act and the Tribal Self-Governance Act can now be duplicated in the housing arena with the implementation of NAHASDA. With housing as the anchor for community development, we can turn our attention to other initiatives such as banking, business development, and infrastructure construction.

NAHASDA became effective October 1, 1997. In implementing the Act both HUD and the tribes have told us that there are provisions in the statute in need of clarification. I would like to cite two examples.

Prior to the passage of NAHASDA, Indian tribes receiving HOME block grant funds could use those funds to leverage low income housing tax credits. Unlike HOME funds, block grants to tribes under the new NAHASDA are considered ''federal funds'' and cannot be used to access these tax credits.

Therefore, tribes cannot use designated new block grant funds to access a program which they formerly could is an unintended consequence affecting housing development in Indian country. This bill would restore tribal eligibility for the low income housing tax credit by placing NAHASDA funds on the same footing as HOME funds, with no change to current low income housing tax credit programs.

In addition, there are conflicting provisions in the statute with regard to the authority of the HUD Secretary to enforce the act against non-compliant entities. This bill clarifies that authority and provides clear guidance for the Secretary in such instances.

Tribal leaders, Indian housing experts, and federal officials testified at a hearing of the Senate Committee on Indian Affairs in March 1997 about funding and other anticipated problems, including achieving the appropriate level of oversight and monitoring. The focus of the hearing was constructive and encouraged all parties to work for a better managed and more efficient Indian housing system.

The bill I am introducing today, joined by Senator INOUYE, the Native American Housing Assistance and Self-Determination Act Amendments of 1999, provides the required clarification and changes that will help the tribes and HUD in achieving a smoother transition from the old housing regime to the new framework of NAHASDA.

In the last session, I originally introduced a bill identical to this legislation, S.1280, and I am hopeful that these amendments can be enacted this year.

As Chairman of the Committee on Indian Affairs I am committed to ensuring that funds for Indian housing are used efficiently, properly and within the bounds provided by law. I also want to ensure that, consistent with the federal obligation to Indian tribes, tribal members have safe, decent, and affordable housing. That is the goal of NAHASDA and that is the policy of this Congress.

I am confident that the implementation of NAHASDA has given tribes the ability to better design and implement their own housing plans and in the process provide better housing opportunities to their tribal members. In making the transition from dominating the housing realm to monitoring the activities of the tribes, HUD needs guidance from the Committee as to its proper role and responsibilities under the Act.

The Act, and the amendments I am proposing today, will go a long way in making sure that the management problems that were associated with the old, HUD-dominated housing system will be eliminated, paving the way for more and better housing for American Indians and Alaska Natives.

I urge my colleagues to join me in enacting these reasonable and necessary amendments.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follow:

S. 400

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Native American Housing Assistance and Self-Determination Act Amendments of 1999''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Restriction on waiver authority.
Sec. 3. Organizational capacity; assistance to families that are not low-income.
Sec. 4. Elimination of waiver authority for small tribes.
Sec. 5. Expanded authority to review Indian housing plans.
Sec. 6. Oversight.
Sec. 7. Allocation formula.
Sec. 8. Hearing requirement.
Sec. 9. Performance agreement time limit.
Sec. 10. Block grants and guarantees not Federal subsidies for low-income housing credit.
Sec. 11. Technical and conforming amendments.

SEC 2. RESTRICTION ON WAIVER AUTHORITY.

Section 101(b)(2) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4111(b)(2)) is amended by striking ''if the Secretary'' and all that follows before the period at the end and inserting the following: ''for a period of not more than 90 days, if the Secretary determines that an Indian tribe has not complied with, or is unable to comply with, those requirements due to extreme circumstances beyond the control of the Indian tribe''.

SEC. 3. ORGANIZATIONAL CAPACITY; ASSISTANCE TO FAMILIES THAT ARE NOT LOW-INCOME.

(a) ORGANIZATIONAL CAPACITY.—Section 102(c)(4) of the Native American Housing Assistance and Self-Determination Act (25 U.S.C. 4112(c)(4)) is amended—

(1) by redesignating subparagraphs (A) through (K) as subparagraphs (B) through (L), respectively; and

(2) by inserting before subparagraph (B), as redesignated by paragraph (1) of this subsection, the following:

''(A) a description of the entity that is responsible for carrying out the activities under the plan, including a description of—

''(i) the relevant personnel of the entity; and

''(ii) the organizational capacity of the entity, including—

''(I) the management structure of the entity; and

''(II) the financial control mechanisms of the entity;''.

(b) ASSISTANCE TO FAMILIES THAT ARE NOT LOW-INCOME.—Section 102(c) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4112) is amended by adding at the end the following:

''(6) CERTAIN FAMILIES.—With respect to assistance provided by a recipient to Indian families that are not low-income families under section 201(b)(2), evidence that there is a need for housing for each such family during that period that cannot reasonably be met without such assistance.''.

SEC. 4. ELIMINATION OF WAIVER AUTHORITY FOR SMALL TRIBES.

Section 102 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4112) is amended—

(1) by striking subsection (f); and

(2) by redesignating subsection (g) as subsection (f).

SEC. 5. EXPANDED AUTHORITY TO REVIEW INDIAN HOUSING PLANS.

Section 103(a)(1) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4113(a)(1)) is amended—

(1) in the first sentence, by striking ''limited''; and

(2) by striking the second sentence.

SEC. 6. OVERSIGHT.

(a) REPAYMENT.—Section 209 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4139) is amended to read as follows:

''SEC. 209. NONCOMPLIANCE WITH AFFORDABLE HOUSING REQUIREMENT.

''If a recipient uses grant amounts to provide affordable housing under this title, and at any time during the useful life of the housing the recipient does not comply with the requirement under section 205(a)(2), the Secretary shall take appropriate action under section 401(a).''.

(b) AUDITS AND REVIEWS.—Section 405 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 1465) is amended to read as follows:

''SEC. 405. REVIEW AND AUDIT BY SECRETARY.

''(a) REQUIREMENTS UNDER CHAPTER 75 OF TITLE 31, UNITED STATES CODE.—

''(1) IN GENERAL.—An entity designated by an Indian tribe as a housing entity shall be treated, for purposes of chapter 75 of title 31, United States Code, as a non-Federal entity that is subject to the audit requirements that apply to non-Federal entities under that chapter.

''(2) PAYMENT OF COSTS.—

''(A) IN GENERAL.—The Secretary may arrange for, and pay the cost of, any audit required under paragraph (1).

''(B) WITHHOLDING OF AMOUNTS.—If the Secretary pays for the cost of an audit under subparagraph (A), the Secretary may withhold, from the assistance otherwise payable under this Act, an amount sufficient to pay for the reasonable costs of conducting an audit that meets the applicable requirements of chapter 75 of title 31, United States Code, including, if appropriate, the reasonable costs of accounting services necessary to ensure that the books and records of the entity referred to in paragraph (1) are in such condition as is necessary to carry out the audit.

''(b) ADDITIONAL REVIEWS AND AUDITS.—

''(1) IN GENERAL.—In addition to any audit under subsection (a)(1), to the extent the Secretary determines such action to be appropriate, the Secretary may conduct an audit of a recipient in order to—

''(A) determine whether the recipient—

''(i) has carried out—

''(I) eligible activities in a timely manner; and

''(II) eligible activities and certification in accordance with this Act and other applicable law;

''(ii) has a continuing capacity to carry out eligible activities in a timely manner; and

''(iii) is in compliance with the Indian housing plan of the recipient; and

''(B) verify the accuracy of information contained in any performance report submitted by the recipient under section 404.

''(2) ONSITE VISITS.—To the extent practicable, the reviews and audits conducted under this subsection shall include onsite visits by the appropriate official of the Department of Housing and Human Development.

''(c) REVIEW OF REPORTS.—

''(1) IN GENERAL.—The Secretary shall provide each recipient that is the subject of a report made by the Secretary under this section notice that the recipient may review and comment on the report during a period of not less than 30 days after the date on which notice is issued under this paragraph.

''(2) PUBLIC AVAILABILITY.—After taking into consideration any comments of the recipient under paragraph (1), the Secretary—

''(A) may revise the report; and

''(B) not later than 30 days after the date on which those comments are received, shall make the comments and the report (with

any revisions made under subparagraph (A)) readily available to the public.

''(d) EFFECT OF REVIEWS.—Subject to section 401(a), after reviewing the reports and audits relating to a recipient that are submitted to the Secretary under this section, the Secretary may adjust the amount of a grant made to a recipient under this Act in accordance with the findings of the Secretary with respect to those reports and audits.''.

SEC. 7. ALLOCATION FORMULA.

Section 302(d)(1) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4152(d)(1)) is amended—

(1) by striking ''The formula,'' and inserting the following:

''(A) IN GENERAL.—Except with respect to an Indian tribe described in subparagraph (B), the formula''; and

(2) by adding at the end the following:

''(B) CERTAIN INDIAN TRIBES.—With respect to fiscal year 2000 and each fiscal year thereafter, with respect to any Indian tribe having an Indian housing authority that owns or operates fewer than 250 public housing units, the formula under subparagraph (A) shall provide that the amount provided for a fiscal year in which the total amount made available for assistance under this Act is equal to or greater than the amount made available for fiscal year 1996 for assistance for the operation and modernization of the public housing referred to in subparagraph (A), the amount provided to that Indian tribe as modernization assistance shall be equal to the average annual amount of funds provided to the Indian tribe (other than funds provided as emergency assistance) under the assistance program under section 14 of the United States Housing Act of 1937 (42 U.S.C. 1437*l*) for the period beginning with fiscal year 1992 and ending with fiscal year 1997.''.

SEC. 8. HEARING REQUIREMENT.

Section 401(a) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4161(a)) is amended—

(1) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively, and indenting each such subparagraph 2 ems to the right;

(2) by striking ''Except as provided'' and inserting the following:

''(1) IN GENERAL.—Except as provided'';

(3) by striking ''If the Secretary takes an action under paragraph (1), (2), or (3)'' and inserting the following:

''(2) CONTINUANCE OF ACTIONS.—If the Secretary takes an action under subparagraph (A), (B), or (C) of paragraph (1)''; and

(4) by adding at the end the following:

''(3) EXCEPTION FOR CERTAIN ACTIONS.—

''(A) IN GENERAL.—Notwithstanding any other provision of this subsection, if the Secretary makes a determination that the failure of a recipient of assistance under this Act to comply substantially with any material provision (as that term is defined by the Secretary) of this Act is resulting, and would continue to result, in a continuing expenditure of Federal funds in a manner that is not authorized by law, the Secretary may take an action described in paragraph (1)(C) before conducting a hearing.

''(B) PROCEDURAL REQUIREMENT.—If the Secretary takes an action described in subparagraph (A), the Secretary shall—

''(i) provide notice to the recipient at the time that the Secretary takes that action; and

''(ii) conduct a hearing not later than 60 days after the date on which the Secretary provides notice under clause (i).

''(C) DETERMINATION.—Upon completion of a hearing under this paragraph, the Secretary shall make a determination regarding whether to continue taking the action that is the subject of the hearing, or take another action under this subsection.''.

SEC. 9. PERFORMANCE AGREEMENT TIME LIMIT.

Section 401(b) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4161(b)) is amended—

(1) by striking ''If the Secretary'' and inserting the following:

''(1) IN GENERAL.—If the Secretary'';

(2) by striking ''(1) is not'' and inserting the following:

''(A) is not'';

(3) by striking ''(2) is a result'' and inserting the following:

''(B) is a result:

(4) in the flush material following paragraph (1)(B), as redesignated by paragraph (3) of this section—

(A) by adjusting the margin 2 ems to the right; and

(B) by inserting before the period at the end the following: '', if the recipient enters into a performance agreement with the Secretary that specifies the compliance objectives that the recipient will be required to achieve by the termination date of the performance agreement''; and

(5) by adding at the end the following:

''(2) PERFORMANCE AGREEMENT.—The period of a performance agreement described in paragraph (1) shall be for 1 year.

''(3) REVIEW.—Upon the termination of a performance agreement entered into under paragraph (1), the Secretary shall review the performance of the recipient that is a party to the agreement.

''(4) EFFECT OF REVIEW.—If, on the basis of a review under paragraph (3), the Secretary determines that the recipient—

''(A) has made a good faith effort to meet the compliance objectives specified in the agreement, the Secretary may enter into an additional performance agreement for the period specified in paragraph (2); and

''(B) has failed to make a good faith effort to meet applicable compliance objectives, the Secretary shall determine the recipient to have failed to comply substantially with this Act, and the recipient shall be subject to an action under subsection (a).''.

SEC. 10. BLOCK GRANTS AND GUARANTEES NOT FEDERAL SUBSIDIES FOR LOW-INCOME HOUSING CREDIT.

(a) IN GENERAL.—Subparagraph (E) of section 42(i)(2) of the Internal Revenue Code of 1986 (relating to determination of whether building is federally subsidized) is amended to read as follows:

''(E) BUILDINGS RECEIVING HOME ASSISTANCE OR NATIVE AMERICAN HOUSING ASSISTANCE.—

''(i) IN GENERAL.—

''(I) INAPPLICABILITY.—Assistance provided under the HOME Investment Partnerships Act or the Native American Housing Assistance and Self-Determination Act of 1996 as in effect on the day before the date of enactment of the Native American Housing Assistance and Self-Determination Act Amendments of 1997 with respect to any building shall not be taken into account under subparagraph (D) if 40 percent or more of the residential units in the building are occupied by individuals whose income is 50 percent or less of the area median gross income.

''(II) APPLICABILITY OF OTHER LAW.—Subsection (d)(5)(C) does not apply to any building to which subclause (I) applies.

''(ii) SPECIAL RULE FOR CERTAIN HIGH-COST HOUSING AREAS.—In the case of a building located in a city described in section 142(d)(6), clause (i) shall be applied by substituting '25 percent' for '40 percent'.''.

(b) APPLICABILITY.—The amendment made by this section shall apply to determinations made under section 42(i)(2) of the Internal Revenue Code after the date of enactment of this Act.

SEC. 11. TECHNICAL AND CONFORMING AMENDMENTS.

(a) TABLE OF CONTENTS.—Section 1(b) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 note) is amended in the table of contents—

(1) by striking the item relating to section 206; and

(2) by striking the item relating to section 209 and inserting the following:

''209. Noncompliance with affordable housing requirement.''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 108 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4117) is amended to read as follows:

''SEC. 108. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated for each of fiscal years 2000 through 2003—

''(1) to provide assistance under this title for emergencies and disasters, as determined by the Secretary, $10,000,000; and

''(2) such sums as may be necessary to otherwise provide grants under this title.''.

(c) CERTIFICATION OF COMPLIANCE WITH SUBSIDY LAYERING REQUIREMENTS.—Section 206 of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4136) is repealed.

(d) TERMINATIONS.—Section 502(a) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4181(a)) is amended by adding at the end the following: ''Any housing that is the subject of a contract for tenant-based assistance between the Secretary and an Indian housing authority that is terminated under this section shall, for the following fiscal year and each fiscal year thereafter be considered to be a dwelling unit under section 302(b)(1).''.●

By Mr. CAMPBELL (for himself and Mr. INOUYE):

S. 401. A bill to provide for business development and trade promotion for native Americans, and for other purposes; to the Committee on Indian Affairs.

THE NATIVE AMERICAN BUSINESS DEVELOPMENT TRADE PROMOTION AND TOURISM ACT

● Mr. CAMPBELL. Mr. President, I am introducing a bill to assist Indians and tribal businesses to foster entrepreneurship and healthy reservation economies. I am pleased to be joined by Senator INOUYE. As we stand ready to enter the next century, Indian tribes and their members continue to face many challenges—poor health, substandard housing and educational facilities, substance abuse, and a host of other social and economic problems.

A top priority for the Committee on Indian Affairs and me in the next two years will be to help tribal governments build stronger and healthier economies to provide jobs and hope to their members.

The results of centuries of federal domination of Indian affairs and Indian economies is predictable: stagnant reservation economies and the absence of a private sector to create the kind of job opportunities and business-creating

activities that Indians so desperately need.

Despite the popular myth that ''all Indians are rich'' from gambling, the realities of life for the great majority of Native Americans are harsh and have shown little sign of improvement in recent years. In the Great Depression of the 1930s, the national unemployment rate was 25 percent, and it was a national crisis.

In 1999, Indian country has a collective unemployment rate running at 50% and there are few comments made, little urgency heard, and very little being done to address the problem. We sympathize, as we should, with Third World countries torn by strife and lack of economic development. We provide loan guarantees, technical assistance, and aid and trade.

For Indians, the response is usually that ''they should just get a job''. The fact is there are few if any job opportunities on most Indian lands in this nation.

The requirement that people on federal assistance get and keep a job is the long-term goal of the 1996 welfare reform laws, and frankly, the tribes are behind the curve in preparing for the full implementation of the law. The goal of the legislation I introduce today and other bills this session will be on helping attract capital and value-added activities to Indian lands in such fields as manufacturing, energy, agriculture, livestock and fisheries, high technology and electronic commerce, arts and crafts and a host of service industries.

This bill aims to make best use of existing programs to provide the necessary tools to tribes to attract and retain capital and employment. The model I am encouraging with this bill has proven highly successful in the self governance arena and in the Indian job training program, known as the ''477 program''.

By providing for an efficient coordination of existing business development programs in the Commerce Department and maximizing resources available to tribes, this bill is a first step toward better cooperation between and within agencies across the federal government.

Building healthy Indian economies will require efforts by the tribal as well as the federal government. The tribes have a responsibility as well. A fundamental principle of Indian self determination requires that the tribes play a greater role in their own affairs. In many areas such as self governance, the tribes are increasingly administering federal services, programs, and activities in lieu of the federal government. This has led to more capable and accountable tribal governments.

A corollary of Indian political self government is a reduction in the dependence on the federal bureaucracy and federal funds, through assuming a greater role in the tribes funding their own government activities. A number of tribes are achieving some success in reaching this stage, and it should be our policy to assist more tribes in achieving this transition from federal to tribal-domination of tribal affairs.

Under this bill, the Native American Business Development Office (NABDO) will coordinate existing programs within the Department of Commerce, including those geared to encouraging American businesses in the fields of international trade and tourism.

I want to be clear: this bill does not create any new programs but will achieve more efficiency in those that already exist, and within existing budget authority. Because the central aim of the legislation is to encourage non-gaming development, the bill also prohibits assistance under the act from being used for gaming on Indian lands.

I urge my colleagues to join me in providing the tools necessary to build strong and diversified Indian economies so that tribal members have the same job opportunities enjoyed by other Americans.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 401

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Native American Business Development, Trade Promotion, and Tourism Act of 1999''.

SEC. 2. FINDINGS; PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) clause 3 of section 8 of article I of the United States Constitution recognizes the special relationship between the United States and Indian tribes;

(2) beginning in 1970, with the inauguration by the Nixon Administration, of the Indian self-determination era of the Federal Government, each President has confirmed the special government-to-government relationship between Indian tribes and the United States;

(3) in 1994, President Clinton issued an Executive memorandum to the heads of departments and agencies that obligated all Federal departments and agencies, particularly those that have an impact on economic development, to evaluate the potential impacts of their actions on Indian tribes;

(4) consistent with the principles of inherent tribal sovereignty and the special relationship between Indian tribes and the United States, Indian tribes retain the right to enter into contracts and agreements to trade freely, and seek enforcement of treaty and trade rights;

(5) Congress has carried out the responsibility of the United States for the protection and preservation of Indian tribes and the resources of Indian tribes through the endorsement of treaties, and the enactment of other laws, including laws that provide for the exercise of administrative authorities;

(6) the United States has an obligation to guard and preserve the sovereignty of Indian tribes in order to foster strong tribal governments, Indian self-determination, and economic self-sufficiency among Indian tribes;

(7) the capacity of Indian tribes to build strong tribal governments and vigorous economies is hindered by the inability of Indian tribes to engage communities that surround Indian lands and outside investors in economic activities on Indian lands;

(8) despite the availability of abundant natural resources on Indian lands and a rich cultural legacy that accords great value to self-determination, self-reliance, and independence, American Indians and Alaska Natives suffer higher rates of unemployment, poverty, poor health, substandard housing, and associated social ills than those of any other group in the United States;

(9) the United States has an obligation to assist Indian tribes with the creation of appropriate economic and political conditions with respect to Indian lands to—

(A) encourage investment from outside sources that do not originate with the tribes; and

(B) facilitate economic ventures with outside entities that are not tribal entities;

(10) the economic success and material well-being of American Indian and Alaska Native communities depends on the combined efforts of the Federal Government, tribal governments, the private sector, and individuals;

(11) the lack of employment and entrepreneurial opportunities in the communities referred to in paragraph (8) has resulted in a multigenerational dependence on Federal assistance that is—

(A) insufficient to address the magnitude of needs; and

(B) unreliable in availability; and

(12) the twin goals of economic self-sufficiency and political self-determination for American Indians and Alaska Natives can best be served by making available to address the challenges faced by those groups—

(A) the resources of the private market;

(B) adequate capital; and

(C) technical expertise.

(b) PURPOSES.—The purposes of this Act are as follows:

(1) To revitalize economically and physically distressed Indian reservation economies by—

(A) encouraging the formation of new businesses by eligible entities, the expansion of existing businesses; and

(B) facilitating the movement of goods to and from Indian reservations and the provision of services by Indians.

(2) To promote private investment in the economies of Indian tribes and to encourage the sustainable development of resources of Indian tribes and tribal- and Indian-owned businesses.

(3) To promote the long-range sustained growth of the economies of Indian tribes.

(4) To raise incomes of Indians in order to reduce poverty levels and provide the means for achieving a higher standard of living on Indian reservations.

(5) To encourage intertribal, regional, and international trade and business development in order to assist in increasing productivity and the standard of living of members of Indian tribes and improving the economic self-sufficiency of the governing bodies of Indian tribes.

(6) To promote economic self-sufficiency and political self-determination for Indian tribes and members of Indian tribes.

SEC. 3. DEFINITIONS.

In this Act:

(1) BOARD.—The term ''Board'' has the meaning given that term in the first section

of the Act entitled ''To provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry in the United States, to expedite and encourage foreign commerce, and for other purposes'', approved June 18, 1934 (19 U.S.C. 81a).

(2) DIRECTOR.—The term ''Director'' means Director of Native American Business Development appointed under section 4(a).

(3) ELIGIBLE ENTITY.—The term ''eligible entity'' means an Indian tribe, tribal organization, Indian arts and crafts organization, tribal enterprise, tribal marketing cooperative, or Indian-owned business.

(4) FEDERAL AGENCY.—The term ''Federal agency'' means an agency, as that term is defined in section 551(1) of title 5, United States Code.

(5) FOUNDATION.—The term ''Foundation'' means the Rural Development Foundation.

(6) INDIAN.—The term ''Indian'' has the meaning given that term in section 4(d) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(d)).

(7) INDIAN ARTS AND CRAFTS ORGANIZATION.—The term ''Indian arts and crafts organization'' has the meaning given that term under section 2 of the Act of August 27, 1935 (49 Stat. 891, chapter 748; 25 U.S.C. 305a).

(8) INDIAN GOODS AND SERVICES.—The term ''Indian goods and services'' means—

(A) Indian goods, within the meaning of section 2 of the Act of August 27, 1935 (commonly known as the ''Indian Arts and Crafts Act'') (49 Stat. 891, chapter 748; 25 U.S.C. 305a);

(B) goods produced or originating within an eligible entity; and

(C) services provided by eligible entities.

(9) INDIAN LANDS.—The term ''Indian lands'' has the meaning given that term in section 4(4) of the Indian Gaming Regulatory Act (25 U.S.C. 2703(4)).

(10) INDIAN-OWNED BUSINESS.—The term ''Indian-owned business'' means an entity organized for the conduct of trade or commerce with respect to which at least 50 percent of the property interests of the entity are owned by Indians or Indian tribes (or a combination thereof).

(11) INDIAN TRIBE.—The term ''Indian tribe'' has the meaning given that term in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)).

(12) OFFICE.—The term ''Office'' means the Office of Native American Business Development established under section 4(a).

(13) SECRETARY.—The term ''Secretary'' means the Secretary of Commerce.

(14) TRIBAL ENTERPRISE.—The term ''tribal enterprise'' means a commercial activity or business managed or controlled by an Indian tribe.

(15) TRIBAL MARKETING COOPERATIVE.—The term ''tribal marketing cooperative'' shall have the meaning given that term by the Secretary, in consultation with the Secretary of the Interior.

(16) TRIBAL ORGANIZATION.—The term ''tribal organization'' has the meaning given that term in section 4(l) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(l)).

SEC. 4. OFFICE OF NATIVE AMERICAN BUSINESS DEVELOPMENT.

(a) IN GENERAL.—

(1) ESTABLISHMENT.—There is established within the Department of Commerce an office known as the Office of Native American Business Development.

(2) DIRECTOR.—The Office shall be headed by a Director, appointed by the Secretary, whose title shall be the Director of Native American Business Development. The Director shall be compensated at a rate not to exceed level V of the Executive Schedule under section 5316 of title 5, United States Code.

(b) DUTIES OF THE SECRETARY.—

(1) IN GENERAL.—The Secretary, acting through the Director, shall ensure the coordination of Federal programs that provide assistance, including financial and technical assistance, to eligible entities for increased business, the expansion of trade by eligible entities, and economic development on Indian lands.

(2) ACTIVITIES.—In carrying out the duties described in paragraph (1), the Secretary, acting through the Director, shall ensure the coordination of, or, as appropriate, carry out—

(A) Federal programs designed to provide legal, accounting, or financial assistance to eligible entities;

(B) market surveys;

(C) the development of promotional materials;

(D) the financing of business development seminars;

(E) the facilitation of marketing;

(F) the participation of appropriate Federal agencies or eligible entities in trade fairs;

(G) any activity that is not described in subparagraphs (A) through (F) that is related to the development of appropriate markets; and

(H) any other activity that the Secretary, in consultation with the Director, determines to be appropriate to carry out this section.

(3) ASSISTANCE.—In conjunction with the activities described in paragraph (2), the Secretary, acting through the Director, shall provide—

(A) financial assistance, technical assistance, and administrative services to eligible entities to assist those entities with—

(i) identifying and taking advantage of business development opportunities; and

(ii) compliance with appropriate laws and regulatory practices; and

(B) such other assistance as the Secretary, in consultation with the Director, determines to be necessary for the development of business opportunities for eligible entities to enhance the economies of Indian tribes.

(4) PRIORITIES.—In carrying out the duties and activities described in paragraphs (2) and (3), the Secretary, acting through the Director, shall give priority to activities that—

(A) provide the greatest degree of economic benefits to Indians; and

(B) foster long-term stable economies of Indian tribes.

(5) PROHIBITION.—The Secretary may not provide under this section assistance for any activity related to the operation of a gaming activity on Indian lands pursuant to the Indian Gaming Regulatory Act (25 U.S.C. 2710 et seq.).

SEC. 5. NATIVE AMERICAN TRADE AND EXPORT PROMOTION.

(a) IN GENERAL.—The Secretary, acting through the Director, shall carry out a Native American export and trade promotion program (referred to in this section as the ''program'').

(b) COORDINATION OF FEDERAL PROGRAMS AND SERVICES.—In carrying out the program, the Secretary, acting through the Director, and in cooperation with the heads of appropriate Federal agencies, shall ensure the coordination of Federal programs and services designed to—

(1) develop the economies of Indian tribes; and

(2) stimulate the demand for Indian goods and services that are available to eligible entities.

(c) ACTIVITIES.—In carrying out the duties described in subsection (b), the Secretary, acting through the Director, shall ensure the coordination of, or, as appropriate, carry out—

(1) Federal programs designed to provide technical or financial assistance to eligible entities;

(2) the development of promotional materials;

(3) the financing of appropriate trade missions;

(4) the marketing of Indian goods and services;

(5) the participation of appropriate Federal agencies or eligible entities in international trade fairs; and

(6) any other activity related to the development of markets for Indian goods and services.

(d) TECHNICAL ASSISTANCE.—In conjunction with the activities described in subsection (c), the Secretary, acting through the Director, shall provide technical assistance and administrative services to eligible entities to assist those entities with—

(1) the identification of appropriate markets for Indian goods and services;

(2) entering the markets referred to in paragraph (1);

(3) compliance with foreign or domestic laws and practices with respect to financial institutions with respect to the export and import of Indian goods and services; and

(4) entering into financial arrangements to provide for the export and import of Indian goods and services.

(e) PRIORITIES.—In carrying out the duties and activities described in subsections (b) and (c), the Secretary, acting through the Director, shall give priority to activities that—

(1) provide the greatest degree of economic benefits to Indians; and

(2) foster long-term stable international markets for Indian goods and services.

SEC. 6. INTERTRIBAL TOURISM DEMONSTRATION PROJECTS.

(a) IN GENERAL.—

(1) DEMONSTRATION PROJECTS.—The Secretary, acting through the Director, shall conduct a Native American tourism program to facilitate the development and conduct of tourism demonstration projects by Indian tribes, on a tribal, intertribal, or regional basis.

(2) PROJECTS.—

(A) IN GENERAL.—Under the program established under this section, in order to assist in the development and promotion of tourism on and in the vicinity of Indian lands, the Secretary, acting through the Director, shall, in coordination with the Foundation, assist eligible entities in the planning, development, and implementation of tourism development demonstration projects that meet the criteria described in subparagraph (B).

(B) PROJECTS DESCRIBED.—In selecting tourism development demonstration projects under this section, the Secretary, acting through the Director, shall select projects that have the potential to increase travel and tourism revenues by attracting visitors to Indian lands and in the vicinity of Indian lands, including projects that provide for—

(i) the development and distribution of educational and promotional materials pertaining to attractions located on and near Indian lands;

(ii) the development of educational resources to assist in private and public tourism development on and in the vicinity of Indian lands; and

(iii) the coordination of tourism-related joint ventures and cooperative efforts between eligible entities and appropriate State and local governments that have jurisdiction over areas in the vicinity of Indian lands.

(3) GRANTS.—To carry out the program under this section, the Secretary, acting through the Director, may award grants or enter into other appropriate arrangements with Indian tribes, tribal organizations, intertribal consortia, or other tribal entities that the Secretary, in consultation with the Director, determines to be appropriate.

(4) LOCATIONS.—In providing for tourism development demonstration projects under the program under this section, the Secretary, acting through the Director, shall provide for a demonstration project to be conducted—

(A) for Indians of the Four Corners area located in the area adjacent to the border between Arizona, Utah, Colorado, and New Mexico;

(B) for Indians of the northwestern area that is commonly known as the Great Northwest (as determined by the Secretary);

(C) for the Oklahoma Indians in Oklahoma; and

(D) for the Indians of the Great Plains area (as determined by the Secretary).

(b) STUDIES.—The Secretary, acting through the Director, shall provide financial assistance, technical assistance, and administrative services to participants that the Secretary, acting through the Director, selects to carry out a tourism development project under this section, with respect to—

(1) feasibility studies conducted as part of that project;

(2) market analyses;

(3) participation in tourism and trade missions; and

(4) any other activity that the Secretary, in consultation with the Director, determines to be appropriate to carry out this section.

(c) INFRASTRUCTURE DEVELOPMENT.—The demonstration projects conducted under this section shall include provisions to facilitate the development and financing of infrastructure, including the development of Indian reservation roads in a manner consistent with title 23, United States Code.

SEC. 7. REPORT TO CONGRESS.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Secretary, in consultation with the Director, shall prepare and submit to the Committee on Indian Affairs of the Senate and the Committee on Resources of the House of Representatives a report on the operation of the Office.

(b) CONTENTS OF REPORT.—Each report prepared under subsection (a) shall include—

(1) for the period covered by the report, a summary of the activities conducted by the Secretary, acting through the Director, in carrying out sections 4 through 6; and

(2) any recommendations for legislation that the Secretary, in consultation with the Director, determines to be necessary to carry out sections 4 through 6.

SEC. 8. FOREIGN-TRADE ZONE PREFERENCES.

(a) PREFERENCE IN ESTABLISHMENT OF FOREIGN-TRADE ZONES IN INDIAN ENTERPRISE ZONES.—In processing applications for the establishment of foreign-trade zones pursuant to the Act entitled ''To provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes'', approved June 18, 1934 (19 U.S.C. 81a et seq.), the Board shall consider, on a priority basis, and expedite, to the maximum extent practicable, the processing of any application involving the establishment of a foreign-trade zone on Indian lands, including any Indian lands designated as an empowerment zone or enterprise community pursuant to section 1391 of the Internal Revenue Code of 1986.

(b) APPLICATION PROCEDURE.—In processing applications for the establishment of ports of entry pursuant to the Act entitled ''An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred and fifteen, and for other purposes'', approved August 1, 1914 (19 U.S.C. 2), the Secretary of the Treasury shall, with respect to any application involving the establishment of a port of entry that is necessary to permit the establishment of a foreign-trade zone on Indian lands—

(1) consider on a priority basis; and

(2) expedite, to the maximum extent practicable, the processing of that application.

(c) APPLICATION EVALUATION.—In evaluating applications for the establishment of foreign-trade zones and ports of entry in connection with Indian lands, to the maximum extent practicable and consistent with applicable law, the Board and Secretary of the Treasury shall approve the applications.●

By Mr. ALLARD (for himself and Mr. SANTORUM):

S. 403. A bill to prohibit implementation of ''Know Your Customer'' regulations by the Federal banking agencies; to the Committee on Banking, Housing, and Urban Affairs.

LEGISLATION TO PROHIBIT IMPLEMENTATION OF KNOW YOUR CUSTOMER REGULATIONS

● Mr. ALLARD. Mr. President, I rise today to introduce legislation to help protect the financial privacy of Americans. The so-called Know Your Customer regulations proposed by Federal banking agencies threaten the privacy of our financial transactions. My bill would ensure that those regulations are not enacted, and that Americans can be confident in the privacy of their bank account.

Governmental overregulation has invaded nearly every aspect of our lives, often at the cost of our privacy. Technology has the potential to accelerate the invasion of our privacy.

The Know Your Customer regulations have been proposed by the four banking regulators: the Federal Reserve, the FDIC, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision. These regulations may force banks to snoop through customers' bank accounts under the guise of looking for ''suspicious activity.'' Banks would have to know the source of funds for all financial transactions. Specifically, the regulations would require banks to develop standards of normal and expected transactions for all accounts. The bank then would be required to monitor all account activity to see if it fits the normal and expected activity profile. If a financial transaction takes place that doesn't fit the model, the bank could be forced to file a suspicious activity report with a federal law enforcement agency, such as the FBI or DEA.

Imagine that you sell an old car and then go to the bank to deposit the money in your account. You explain that you simply sold your car and this is the money from the sale. However, you are informed that the explanation is insufficient. The deposit does not fit your usual and expected transaction profile, so you might be reported to law enforcement officials. You may now have to prove to the satisfaction of the FBI or other federal agency that you are not a drug dealer or money launderer. These proposed regulations could force you to prove your innocence before you have even been accused of a crime.

Unfortunately, this scenario is one that could be repeated many times over. Anytime someone receives a bonus at work, receives an inheritance, receives a large gift, sells a large item, or withdraws money to make a major purchase it could trigger a suspicious activity report and an investigation by law enforcement. The perverse effect of causing law enforcement officials to investigate so much mundane financial activity merely because it deviates from some profile of ''normal'' is that resources will be unavailable to combat genuine financial fraud.

Would all this happen? We don't know, but the extremely broad and vague wording of the draft regulations could certainly permit it to happen.

Furthermore, these regulations are unnecessary because banks already partner with law enforcement to fight financial crime without invading the privacy of customers. Banks currently report insider abuse, violations of federal law, and potential money laundering activity. But these are after the fact. Banks are also required to report all cash transactions over $10,000. By contrast, the proposed regulations would force them to snoop through accounts to look for transactions to report, merely because they are deemed ''suspicious.'' Banks are then transformed from an agent monitoring regulatory compliance to an investigator and enforcer for the government. This creates a significant unfunded federal mandate for the banking industry.

Accordingly, the proposed regulations are opposed by major banking groups, including the American Bankers Association and the Independent Bankers Association of America. They fear a loss of privacy for their customers that would negatively impact their industry. In addition, these regulations are very selective-credit unions, securities firms, and insurance firms would not be subject to the proposed regulations.

Obviously, these proposed regulations could be detrimental to the millions of Americans who use a bank for

their financial transactions. This legislation would prevent the Federal banking agencies involved from implementing the proposed Know Your Customer regulations. We must protect the financial privacy of Americans, and prevent the proposed regulations from being enacted.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 403

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROHIBITION ON IMPLEMENTATION.

(a) IN GENERAL.—No regulation or amendment thereto prescribed by the Secretary of the Treasury or any Federal banking agency under subchapter II or III of chapter 53 of title 31, United States Code, chapter 2 of Public Law 91–508, or any other provision of Federal law, that requires a depository institution or any other private entity to obtain information concerning any person in connection with a financial transaction between such person and the depository institution or other private entity (commonly referred to as ''know your customer'' regulations) may be implemented or otherwise take effect on or after the date of enactment of this Act.

(b) DEFINITIONS.—The terms ''Federal banking agency'' and ''depository institution'' have the same meanings as in section 3 of the Federal Deposit Insurance Act.●

By Mr. THOMAS (for himself, Mr. ENZI, Mr. HELMS, Mr. MURKOWSKI, Mr. COVERDELL, Mr. HAGEL, Mr. SMITH of Oregon, Mr. SMITH of New Hampshire, Mr. ROBERTS, Mr. NICKLES, and Mr. SESSIONS):

S. 404. A bill to prohibit the return of veterans memorial objects to foreign nations without specific authorization in law; to the Committee on Veterans' Affairs.

S. 404: THE VETERANS MEMORIAL PHYSICAL INTEGRITY ACT OF 1999

● Mr. THOMAS. Mr. President, I come to the floor today to introduce S. 404, a bill to prohibit the return to a foreign country of any portion of a memorial to American veterans without the express authorization of Congress. The bill is identical to S. 1903 which I introduced at the end of the last Congress.

I would not have thought that a bill like this was necessary, Mr. President. It would never have occurred to me that an Administration would even briefly consider dismantling part of a memorial to American soldiers who died in the line of duty in order to send a piece of that memorial to a foreign country; but a real possibility of just that happening exists in my state of Wyoming involving what are known as the ''Bells of Balangiga.''

In 1898, the Treaty of Paris brought to a close the Spanish-American War. As part of the treaty, Spain ceded possession of the Philippines to the United States. At about the same time, the Filipino people began an insurrection in their country. In August 1901, as part of the American effort to stem the insurrection, a company of 74 officers and men from the 9th Infantry, Company G, occupied the town of Balangiga on the island of Samar. These men came from Ft. Russell in Cheyenne, Wyoming—today's F.E. Warren Air Force Base.

On September 28 of that year, taking advantage of the preoccupation of the American troops with a church service for the just-assassinated President McKinley, a group of Filipino insurgents infiltrated the town. Only three American sentries were on duty that day. As described in an article in the November 19, 1997 edition of the Wall Street Journal:

> Officers slept in, and enlisted men didn't bother to carry their rifes as they ambled out of their quarters for breakfast. Balangiga had been a boringly peaceful site since the infantry company arrived a month earlier, according to military accounts and soldiers' statements. The quiet ended abrupty when a 23 year old U.S. sentry named Adolph Gamlin walked past the local police chief. In one swift move, the Filipino grabbed the slightly built Iowan's rifle and smashed the butt across [Gamlin's] head. As PFC Gamlin crumpled, the bells of Balangiga began to peal.
>
> With the signal, hundreds of Filipino fighters swarmed out of the surrounding forest, armed with clubs, picks and machete-like bolo knives. Others poured out of the church; they had arrived the night before, disguised as women mourners and carrying coffins filled with bolos. A sergeant was beheaded in the mess tent and dumped into a vat of steaming wash water. A young bugler was cut down in a nearby stream. The company commander was hacked to death after jumping out a window. Besieged infantrymen defended themselves with kitchen forks, mess kits and baseball bats. Others threw rocks and cans of beans.
>
> Though he was also slashed across the back, PFC . . . Gamlin came to and found a rifle. By the time he and the other survivors fought their way to the beach, 38 U.S. soldiers were dead and all but six of the remaining men had been wounded.

The remaining soldiers escaped in five dug-out canoes. Only three boats made it to safety on Leyte. Seven men died of exposure at sea, and another eight died of their wounds; only 20 of the company's 74 members survived.

A detachment of 54 volunteers from 9th infantry units stationed at Leyte returned to Balangiga and recaptured the village. They were reinforced a few days later from Companies K and L of the 11th Infantry Regiment. When the 11th Infantry was relieved on October 18, by Marines, the 9th Infantry took two of the church bells and an old cannon with them back to Wyoming as memorials to the fallen soldiers.

The bells and cannon have been displayed in front of the base flagpole on the central parade grounds since that time. The cannon was restored by local volunteers and placed under a glass display case in 1985 to protect it from the elements. The bells were placed in openings in a large specially constructed masonry wall with a plaque dedicating the memorial to the memory of the fallen soldiers.

Off and on since 1981, there have been some discussions in various circles in Cheyenne, Washington, and Manila about the future of the bells, including the possibility of returning them to the Philippines. Most recently, the Philippine government—having run into broad opposition to their request to have both bells returned to them—has proposed making a copy of both bells, and having both sides keep one copy and one original. Opposition to the proposal from local and national civic and veterans groups has been very strong.

Last year, developments indicated to me that the White House was seriously contemplating returning one or both of the bells to the Philippines. 1998 marked the 100th anniversary of the Treaty of Paris, and a state visit by then-President Fidel Ramos—his last as President—to the United States. The disposition of the bells was high on President Ramos' agenda; he has spoken personally to President Clinton and several members of Congress about it over the last three years, and made it one of only three agenda items the Filipino delegation brought to the table. Since January 1998, the Filipino press has included almost weekly articles on the bells' supposed return, including several in the Manila Times in April and May which reported that a new tower to house the bells was being constructed in Borongon, Samar, to receive them in May. In addition, there have been a variety of reports vilifying me and the veterans in Wyoming for our position on the issue, and others threatening economic boycotts of U.S. products or other unspecified acts of retaliation to force capitulation on the issue.

Moreover, inquiries to me from various agencies of the Administration soliciting the opinion of the Wyoming congressional delegation on the issue increased in frequency in the first four months of 1998. I also learned that the Defense Department, perhaps in conjunction with the Justice Department, prepared a legal memorandum outlining its opinion of who actually controls the disposition of the bells.

In response, the Wyoming congressional delegation wrote a letter to President Clinton on January 9, 1998, to make clear our opposition to removing the bells. In response to that letter, on May 26 I received a letter from Sandy Berger of the National Security Council which I think is perhaps one of the best indicators of the direction the White House was headed on this issue.

To head off any move by the Administration to dispose of the bells, I and Senator ENZI introduced S. 1903 on April 1. The bill had 18 cosponsors, including the distinguished Chairmen of

the Committees on Armed Services, Foreign Relations, Finance, Energy and Natural Resources, Rules, Ethics, and Banking; the Chairmen of five Subcommittees of the Foreign Relations Committee; and five members of the Armed Services Committee.

Mr. President, at this point let me dispose of a canard that was forwarded shortly after the time I introduced S. 1903 by those seeking the return of the bells. They asserted that the bill was actually in contravention of the wishes of the people of the State of Wyoming because the Wyoming Legislature, quoting a letter from the Ambassador of the Philippines dated April 3, 1998, ''supports the sharing of the bells.'' That statement, however, glosses over the real facts.

Wyoming's legislature is not a ''professional'' one—that is, the legislators have other, full-time jobs and the Legislature only sits for forty days at the beginning of each year and twenty days in the fall. When the Legislature meets, it is often to process an entire year's worth of legislation in just a few weeks.

Like Congress, the Wyoming Legislature has a formal process of introducing, considering, and then voting on bills which become law upon the signature of the chief executive—in this case the governor. Also like Congress, the Legislature has a system for expressing its non-binding viewpoint on certain issues through resolutions. But unlike Congress, the Legislature also has an informal resolution process to express the viewpoint of only a given number of legislators, as opposed to the entire legislative body, on a given topic; the vehicle for such a process is called a ''joint resolution.''

In this process, a legislator circulates the equivalent of a petition among his or her colleagues. Support for the subject matter is signified simply by signing one's name to the petition. Once the sponsor has acquired all the signatures he or she can—or wishes to—acquire, the joint resolution is simply deposited for the record with the Office of the Governor; it is never—I repeat never—voted on in either House of the Legislature, nor is it signed by the governor. As a consequence, it is not considered to be the position of, or the expression of the will of, the Legislature as a whole, but only of those legislators who signed it.

Although the bells are an issue of interest among some circles state-wide, the issue is not well-known all over Wyoming. I have heard from several of the signatories of the joint resolution on the bells that they were not aware of the circumstances surrounding the bells at the time they signed the joint resolution. In this regard, it is important to note that the sponsor of the joint resolution did not enlighten them about the role of the bells in the unprovoked killing of 54 American soldiers in Balangiga before they signed the document. Moreover, that fact was completely and purposefully left out of the wording of the joint resolution itself; the death of these American soldiers was completely glossed over. The closest the joint resolution gets to mentioning the surprise attack and resulting deaths is this, which I quote verbatim:

> Whereas, at a point in the relationship, nearly one hundred (100) years ago following the Spanish-American War, armed conflict occurred between the United States and the Philippines; and
>
> Whereas, a particularly noteworthy incident occurred on the island of Samar in 1901 during the course of that conflict; and
>
> Whereas, that incident involved the ringing of the Church Bells of Balangiga on Samar to signal the outbreak of fighting.

Imagine. The author of the joint resolution reduced the surprise attack and horrible deaths of fifty-four soldiers to a seemingly innocent, benign ''noteworthy incident.'' So while some may rely on the joint resolution as though it were the ''voice of Wyoming'' in support of their position, an examination of the actual facts surrounding it proves that reliance to be very misplaced.

While time has passed since this issue came to a head last April, Mr. President, my deep concern that the Administration might still dispose of the bells has not. The Administration has not disavowed its earlier intent to seek to return the bells—an intent derailed by the introduction of S. 1903 last year. In addition, despite Article IV, section 3, clause 2 of the Constitution, which states that the ''Congress shall have the power to dispose of . . . Property belonging to the United States,'' the Justice Department has issued an informal memorandum stating that the Bells could possibly be disposed of by the President pursuant to the provisions of 10 U.S.C. §2572.

I continue to be amazed, even in these days of political correctness and revisionist history, that a U.S. President—our Commander-in-Chief—would appear to be ready to ignore the wishes of our veterans and tear down a memorial to U.S. soldiers who died in the line of duty in order to send part of it back to the country in which they were killed. Amazed, that is, until I recall this President's fondness for sweeping apologies and what some might view as flashy P.R. gestures. Consequently, Senator ENZI and I have decided to reintroduce the bill in the 106th Congress.

Mr. President, to the veterans of Wyoming, and the United States as a whole, the bells represent a lasting memorial to those fifty-four American soldiers killed as a result of an unprovoked insurgent attack in Balangiga on September 28, 1901. In their view, which I share, any attempt to remove either or both of the bells—and in doing so actually physically dismantling a war memorial—is a desecration of that memory.

S. 404 will protect the bells and similar veterans memorials from such an ignoble fate. The bill is quite simple; it prohibits the transfer of a veterans memorial or any portion thereof to a foreign country or government unless specifically authorized by law; Representative BARBARA CUBIN is introducing similar legislation this week in the House. I am pleased to be joined by Senators ENZI, HELMS, HAGEL, SMITH of Oregon, MURKOWSKI, SMITH of New Hampshire, ROBERTS, SESSIONS, NICKLES, and COVERDELL as original cosponsors. I trust that my colleagues will support its swift passage.

Mr. President, I ask unanimous consent that the bill and additional material be printed in the RECORD.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

S. 404

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROHIBITION ON THE RETURN OF VETERANS MEMORIAL OBJECTS TO FOREIGN NATIONS WITHOUT SPECIFIC AUTHORIZATION IN LAW.

(a) PROHIBITION.—Notwithstanding section 2572 of title 10, United States Code, or any other provision of law, the President may not transfer a veterans memorial object to a foreign country or entity controlled by a foreign government, or otherwise transfer or convey such object to a person or entity for purposes of the ultimate transfer or conveyance of such object to a foreign country or entity controlled by a foreign government, unless specifically authorized by law.

(b) DEFINITIONS.—In this section:

(1) ENTITY CONTROLLED BY A FOREIGN GOVERNMENT.—The term ''entity controlled by a foreign government'' has the meaning given that term in section 2536(c)(1) of title 10, United States Code.

(2) VETERANS MEMORIAL OBJECT.—The term ''veterans memorial object'' means any object, including a physical structure or portion thereof, that—

(A) is located at a cemetery of the National Cemetery System, war memorial, or military installation in the United States;

(B) is dedicated to, or otherwise memorializes, the death in combat or combat-related duties of members of the United States Armed Forces; and

(C) was brought to the United States from abroad as a memorial of combat abroad.

THE AMERICAN LEGION,
Washington, DC, April 8, 1998.

Hon. CRAIG THOMAS,
U.S. Senate,
Washington, DC.

DEAR SENATOR THOMAS: The American Legion supports S. 1903, legislation that would prohibit the return of veterans memorial objects without specific authorization in law by the United States Congress.

Article IV, Section III of the United States Constitution specifically grants Congress the authority to dispose of property belonging to the United States. The Preamble to the Constitution of The American Legion specifically calls for The American Legion to ''uphold and defend the Constitution of the United States of America'' and ''to preserve

the memories and incidents of our associations in the Great Wars.'' The American Legion believes your legislation would help achieve these two important democratic tasks.

Once again. The American Legion supports S. 1903, legislation that would prohibit the return of veterans memorial objects without specific authorization in law by the United States Congress. The American Legion appreciates your continued leadership on issues important to veterans, their families and the United States of America.

Sincerely,

STEVE A. ROBERTSON,
Director, National Legislative Commission.

VETERANS OF FOREIGN WARS OF THE UNITED STATES,
January 6, 1998.

Re Bells of Balangiga.

Hon. DOUGLAS K. BEREUTER,
Chairman, East Asia Subcommittee, Committee on International Relations, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Recently, we learned that Mr. Robert Underwood, U.S. Representative from Guam, has introduced House Resolution 312 urging the President to authorize the transfer of ownership of one of the Bells of Balangiga to the Philippines. In brief, the Bells of Balangiga, which serve as a war memorial to U.S. Army soldiers killed by insurgents in the Philippines in 1901, are located at E.E. Warren Air Force Base in Cheyenne, Wyoming. The proposal of the Philippine Ambassador to return one of the bells to the Philippines is opposed by veterans and the supporting community in Wyoming.

Although the 98th National Convention of the Veterans of Foreign Wars of the United States did not adopt a Resolution on this issue, the VFW does have a position on the Bells of Balangiga. After carefully reviewing the history and background of the issue involving the Bells of Balangiga, the VFW opposes and rejects any compromise or agreement with the government of the Philippines which would result in the return of any of the Bells of Balangiga to the Philippines. The church bells were paid for with American blood in 1901 when they were used to signal an unprovoked attack by insurrectionists against an American Army garrison which resulted in the massacre of 45 American soldiers. The Bells serve is a permanent memorial to the sacrifice of the American soldiers from Fort D.A. Russell (Wyoming) who gave their lives for their country while doing their duty. We do not think any of the bells should be given back to the Philippines. To return the bells sends the wrong message to the world. In addition, local Wyoming veterans and other citizens are opposed to dismantling the sacred monument and returning any part of it to the Philippines.

In the past, several years, the Philippine Government has made several attempts to get the Bells of Balangiga returned to their country. To date, they have not been successful in any of their attempts to get the bells returned. For the past 95 years, two of the bells have been enshrined at Fort Russell/Warren AFB in Wyoming. The third is with the U.S. Army's 9th Infantry in the Republic of Korea.

Recently, Philippine President Fidel Ramos ordered his United States Ambassador, Paul Rabe, to step up his effort on the bells hoping to have them returned in time for next summer's celebration of 100 years of Philippine independence. In October 1997, Ambassador Paul Rabe suggested a compromise solution. He suggested returning one of the bells to the Philippines thereby giving both nations an original and the opportunity to make a replica. In fact, the justification for the latest proposal of the Philippine government is fatally flawed. The Bells of Balangiga played no part at all in Admiral Dewey's defeat of the Spanish Navy at Manila Bay in 1898. Subsequently, that naval defeat forced the Spanish to relinquish control of the Philippine Islands to the U.S. The soldiers killed were from Fort D.A. Russell and were ordered to the Philippine Islands because a savage guerrilla war had broken out after the conclusion of the Spanish-American War of 1896. Therefore, we believe the bells have no significance or connection to the celebration of Philippine independence.

Kenneth Weber, Commander of the VFW Department of Wyoming, expressed the feelings of local Wyoming veterans and supporters when he said, ''The members of the Veterans of Foreign Wars of the United States . . . will not stand idle and allow a sacred memorial to those soldiers killed while doing their duty to be dismantled.''

We believe the Wyoming veterans are correct on this issue. The bells should stay right where they are—in Wyoming and with the 9th Regiment.

Respectfully,

KENNETH A. STEADMAN,
Executive Director.

THE AMERICAN LEGION,
DEPARTMENT OF WYOMING,
Cheyenne, WY, December 5, 1997.

Hon. WILLIAM CLINTON,
U.S. President, White House, Washington DC.

DEAR PRESIDENT CLINTON: A copy of House Resolution 312 urging our President to transfer one of the Bells of Balingiga from F.E. Warren Air Force Base, Cheyenne, Wyoming, to the Philippines has been received by The American Legion, Department of Wyoming Headquarters. On behalf of the Wyoming Legionnaires and other veterans, I urge you to oppose this resolution. Also attached is a Resolution from The American Legion, Department of Wyoming, strongly advocating the retention of both bells at F.E. Warren AFB in Cheyenne. We still feel strongly that to dismantle a memorial to our fallen comrades—even partially—that is almost a hundred years old is a breach of faith with those who gave the ultimate sacrifice in service to their country. The Preamble to the Constitution of The American Legion states ''For God and country, we associate ourselves for the following purposes . . . to preserve the memories and incidents of our association in the great wars: . . .'' We have seen some of the emotions of living veterans at such memorials as the Vietnam Wall and the Korean War Memorial in Washington DC. To remove a memorial from the oldest active military installation in our country would send a very adverse message to those who are serving our country at the present time and in the future.

Sincerely,

JOSEPH G. SESTAK,
Department Commander.

UNITED VETERANS COUNCIL OF WYOMING,
Cheyenne, WY, March 13, 1998.

The President of the United States,
WILLIAM JEFFERSON CLINTON,
Washington, DC.

DEAR PRESIDENT CLINTON: I am writing to you concerning an issue which is of great importance to Wyoming's veterans and other citizens of our great state. The United Veterans Council of Wyoming, Inc. is a coalition of veteran's service organizations located throughout Wyoming. Members of the United Veterans Council include the American Legion, the Disabled American Veterans, the Veterans of Foreign Wars of the United States, and eleven smaller, though no less important, veteran's service organizations.

As you may know, the Philippine government has attempted since 1980 to have the Bells of Balangiga returned. In brief, the bells serve as a permanent war memorial to U.S. Army soldiers sent from Ft. D.A. Russell, Wyoming to the Philippine Islands following the Spanish-American War of 1898. In 1901, soldiers garrisoned in the village of Balangiga to protect the village from Muslim and rebel raids, were killed by insurgents who used the church bells to signal a surprise attack on a quite Sunday morning. The bells now hang from an attractive brick memorial near the parade grounds of Fort Russell, now F.E. Warren AFB, in Cheyenne. Pentagon officials have determined that the United States government has proper title to the bells under international law.

Since his posting to Washington in 1993, Philippine Ambassador Paul Rabe has been quietly negotiating the return of the bells with Wyoming church leaders, civic organizations, local businessmen with economic ties to the Philippines and state law-makers.

However, after several trips to Wyoming, Ambassador Rabe has yet to meet with veterans or veteran's organizations. It is important to know, that for ninety-five years, U.S. military personnel and Wyoming veterans have kept safe, maintained, and preserved the bells. Veterans were instrumental in establishing the permanent memorial as it now stands, dedicated to the sacrifice of fallen comrades. The memorial is adjacent to the base flag pole and part of the daily retreat ceremony.

Philippine President Fidel V. Ramos is visiting Washington in April. I understand he intends to meet with you to discuss, among other things, House Resolution 312 urging the transfer of ownership of one of the bells to the Philippines as a compromise offer. President Ramos is attempting to justify the return of one or more bells for use during a centennial celebration of Philippine independence from Spain.

As the VFW and others have continually pointed out, the Bells of Balangiga played no role in Admiral Dewey's defeat of the Spanish Navy at Manila Bay in 1898, three years before the bells were used to signal the massacre of the U.S. soldiers at Balangiga. Following Admiral Dewey's victory, Spain relinquished control of the islands to the United States. The Philippines were granted their independence in 1946. We believe the bells have no significance or connection to any celebration of Philippine independence from Spain.

The Philippine government even compared the church bells to our Liberty Bell, a comparison which is completely unfounded and quite a stretch. The Liberty Bell was rung on July 8, 1776 following the first public reading of the Declaration of Independence. The Bells of Balangiga, as used in 1901, signaled the brutal massacre by Filipino insurrectionists hiding in the church and in the jungle on unsuspecting and unarmed soldiers of Company C, Ninth U.S. Infantry Regiment garrisoned there. Surprised and outnumbered, the soldiers were nearly wiped out in the first terrible minutes of fighting. Of the company's original compliment of seventy-four

soldiers, forty-eight were killed or unaccounted for, twenty-two were wounded, and only four escaped unharmed to the American garrison at Basey.

After a careful review of the history surrounding the bells, the United Veterans Council of Wyoming, Inc. on behalf of our member veteran's organizations and supporting citizens, opposes any compromise offer. The Council does so without malice towards the people of the Philippines. We simply hold dear, the feelings of mutual respect and a shared memory of fallen comrades who paid the ultimate sacrifice while serving their country.

On his last visit to Cheyenne on February 18, 1998, Ambassador Rabe was asked if the bells would be returned to Catholic churches or to be used in a secular setting. The Ambassador replied, ''That is something to be discussed.'' It is an affront to the soldiers who died, and their survivors, to suggest that a permanent memorial be dismantled for no better reasons than are being provided by the Philippine government.

Over the years, the United States government has repeatedly, and for all the right reasons, declined to return the Bells of Balangiga to the Philippine government. The church bells were paid for with American blood in 1901 when they were used to signal an attack on U.S. soldiers. The bells should stay right where they are—in Wyoming.

Sincerely yours,

JIM LLOYD,
President.

THE WHITE HOUSE,
Washington, March 26, 1998.

Hon. CRAIG THOMAS,
U.S. Senate,
Washington, DC.

DEAR SENATOR THOMAS: Thank you for your letter concerning the bells of Balangiga and the proposed compromise solution for addressing this issue. I am writing on behalf of the President to request that you not oppose the compromise solution. We believe it effectively takes into account the interests and sensitivities of both American veterans and the people of the Philippines.

I understand American forces brought the two bells of Balangiga to Wyoming following the Philippine insurrection of 1901, and that they currently are on display at F.E. Warren Air Force Base in Cheyenne. As you may know, Philippine President Fidel Ramos is eager to explore the possibility of returning at least one of the bells during this centennial year of the Philippines' declaration of independence from Spain. President Ramos will be the President's guest at the White House on April 10, 1998. The bells of Balangiga will be one of the principal issues on the discussion agenda.

I appreciate the importance of the bells to Wyoming veterans who consider them to be symbols of the supreme sacrifice American soldiers, sailors and airmen often have had to make far from home. At the same time, Filipinos see the bells as representative of a struggle for national independence lasting more than five centuries.

Our longstanding ties with the Philippines were forged in the intense combat of World War II by tens of thousands of Americans and Filipinos. Growing out of this experience is a relationship, which is closer on a person-to-person level than with any other country in East Asia. The Philippines is a key ally in the Asia Pacific and shares our commitment to democratic and free market principles. Presidential elections in May of this year will re-enforce the democratic traditions and institutions Filipinos have so eagerly embraced.

I believe a compromise solution, by which the United States and the Philippines would each retain custody of one of the original bells, offers a unique opportunity to honor both the American soldiers who gave their lives in the town of Balangiga and the centennial celebration of the Philippines' first step toward democracy. I understand the concerns of those who are worried that any alteration of the existing monument might cause present day Americans to forget the sacrifices of past generations. But the historical significance of Balangiga rests on the fact that today the United States and the Philippines are united in a common cause of promoting stability and prosperity throughout the Asia Pacific region. I urge you and your colleagues from the Wyoming Congressional Delegation to reevaluate the compromise approach to resolving the bells of Balangiga question.

Sincerely,

SAMUEL R. BERGER,
Assistant to the President for National Security Affairs.●

● Mr. ENZI. Mr. President, I rise to join my colleague, the senior Senator from my state of Wyoming, in the effort to safeguard the integrity of the nation's military memorials from the politically expedient demands of foreign governments—in this case the so-called ''Bells of Balangiga'' war memorial located in Wyoming's capital city of Cheyenne. Though a similar bill was introduced during the last congress, it was not voted on before adjournment. Unfortunately, the issue this legislation hopes to address is alive and well.

Many people contend that church bells are not a fitting subject for a war memorial. The circumstances surrounding these particular bells, however, are not normal. As the Senior Senator from Wyoming related, those bells were not used by Filipino insurgents to call the faithful to prayer that harrowing morning. They were used instead to signal the massacre of Wyoming troops as they sat down, unarmed, to breakfast. Of the 74 officers and men in the garrison, only twenty survived. Eye witness accounts had some of the attackers disguised as women, their weapons hidden beneath their dresses. Many others smuggled their weapons into the village hidden in the coffins of children. Under those circumstances, one must conclude that the bells in question were used to kill. Consequently I feel their use as the subject for a war memorial is wholly appropriate.

This is especially true in light of the use for the bells originally intended by the Philippine government. As everyone conceded last year, the Philippine government desired the return of these bells in time for their 100th anniversary of independence. Apparently, these bells do not represent a religious symbol for the Philippine government either.

Most significant of all, however, is the purpose they currently serve. Contrary to the assumptions of many, they do not memorialize American foreign policies of the time. Nor do they serve as a tribute to our political system, America's turn of the century notions of race relations, or the performance of the American troops who served there during that conflict. Rather, these bells memorialize one thing and one thing only: The tragic and premature deaths of 54 young men who volunteered to do the bidding of the American people. For this purpose I believe these bells serve as a most fitting memorial indeed and I am opposed to their dismantlement.

It is time to honor our veterans, our war dead, and the principle that in this country, we do not submit to government by Presidential fiat. I ask the support of my colleagues for this legislation.●

By Mr. HOLLINGS:

S. 405. A bill to prohibit the operation of civil supersonic transport aircraft to or from airports in the United States under certain circumstances; to the Committee on Commerce, Science, and Transportation.

COMMERCIAL OPERATION OF SUPERSONIC TRANSPORT LEGISLATION

● Mr. HOLLINGS. Mr. President, today, I introduce legislation to ban the Concorde (flown by British Airways and Air France to the U.S.) from operating in the U.S. A companion bill is being offered in the House by Congressman OBERSTAR. This measure is in direct response to a pending European Union resolution which places arbitrary design-based barriers on the operation of U.S.-registered, huskitted, aircraft meeting the highest U.S. technological noise standards. The EU, under the guise of an environmental regulation, has essentially declared a trade war. Their regulation, a so-called ''non-addition rule,'' is to be voted on by the EU in mid-February to become effective April 1, 1999. After that date, no U.S.-registered, stage 3 compliant aircraft (the quietest standard) can be operated in Europe. This EU regulation not only violates the Chicago Convention (which sets the framework for all bilateral aviation agreements) as it not only refuses to recognize U.S. air carriers' air worthiness certificates issued by our Government, it also holds great economic consequences for U.S. manufacturers and for many airlines. Those which are most vulnerable are small airlines and freight operators, which have fleets and operations based entirely on these aircraft. In essence, this ruling treats domestic and foreign operations differently in violation of the non-discrimination principle. The United States will not suffer such insidious trade practices lightly. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 405

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COMMERCIAL OPERATION OF SUPERSONIC TRANSPORT CATEGORY AIRCRAFT.

The Secretary of Transportation shall prohibit the commercial operation of civil supersonic transport category aircraft to or from an airport in the United States—

(1) if the Secretary determines that the European Union has adopted Common Position (EC) No. 66/98 as a final regulation, unless

(2) the Secretary also determines that such aircraft comply with Stage 3 noise levels.●

By Mr. MURKOWSKI (for himself, Mr. LOTT, Mr. BAUCUS, Mr. INHOFE, Mr. COCHRAN, Mr. CAMPBELL, and Mr. INOUYE):

S. 406. A bill to amend the Indian Health Care Improvement Act to make permanent the demonstration program that allows for direct billing of medicare, medicaid, and other third party payors, and to expand the eligibility under such program to other tribes and tribal organizations.

ALASKA NATIVE AND AMERICAN INDIAN DIRECT REIMBURSEMENT ACT OF 1999

● Mr. MURKOWSKI. Mr. President, today I rise on behalf of myself and the Majority Leader Mr. LOTT, Senator BAUCUS, Senator COCHRAN, Senator INHOFE, Senator CAMPBELL, and Senator INOUYE, to introduce legislation to permanently authorize and expand the Medicare and Medicaid direct collections demonstration program under section 405 of the Indian Health Care Improvement Act.

This Act will end much of the red tape and bureauracy for IHS facilities involved with Medicare and Medicaid reimbursement, and will mean more Medicaid and Medicare dollars to Native health facilities to use for improving health care.

Our bill will allow Native hospitals to collect Medicare and Medicaid fund directly from the Health Care Financing Administration instead of having to go through the maze of regulations mandated by IHS.

This bill is an expansion of a current demonstration project that includes Bristol Bay Health Corporation of Dillingham, Alaska: the Southeast Alaska Regional Health Corporation of Sitka, Alaska; the Mississippi Choctaw Health Center of Philadelphia, Mississippi: and the Choctaw Tribe of Durant, Oklahoma. All of the participants in the demonstration program—as well as the Department of Health and Human Service and the Indian Health Services report that the program is a great success. HHS Secretary Donna Shalala stated in a letter to Senator JOHN MCCAIN on July 23, 1996, that the program has:

Dramatically increased collections for Medicare and Medicaid services, which in turn has provided badly-needed revenues for Indian and Alaska Native health care:

Sigificantly reduced the turn-around time between billing and the receipt of payment for Medicare and Medicaid services: and,

Increased the administrative efficiency of the participating health facilities by empowering them to track their own Medicare and Medicaid billings and collections.

In her letter, Secretary Shalala also mentions that the Southeast Alaska Regional Health Corporation has been able to make ''great strides in upgrading the health facilities'' as a result of increased collections brought on by its participation in the demonstration program.

In 1998, when the demonstration program was about to expire, Congress extended it through FY 2001. This extension has allowed the participants to continue their direct billing and collection efforts and has provided Congress with additional time to consider whether to permanently authorize the program.

It is time to recognize the benefits of the demonstration program by enacting legislation that would permanently authorize it and expand it to other eligible tribal participants.●

By Mr. LAUTENBERG (for himself, Mr. TORRICELLI, Mr. SCHUMER, Mrs. FEINSTEIN, Mr. ROBB, Mr. SARBANES, Mr. KENNEDY, Mr. KERRY, and Ms. MIKULSKI):

S. 407. A bill a reduce gun trafficking by prohibiting bulk purchases of handguns; to the Committee on the Judiciary.

THE STOP GUN TRAFFICKING ACT

● Mr. LAUTENBERG. Mr. President, I rise to introduce legislation that will reduce the murder and mayhem on our streets by making it harder for criminals to run guns between states. I am pleased to be joined in this effort by Senators TORRICELLI, SCHUMER, FEINSTEIN, ROBB, SARBANES, KENNEDY, KERRY, and MIKULSKI.

Gun traffickers continue to supply an illegal gun market by buying large quantities of guns in states with lax gun laws and then reselling them on the streets—often in cities and states with strict gun laws. If these traffickers cannot legally buy a gun themselves, or if they do not want to have their name turn up if the gun is later found at a crime scene, they find others to make the purchases for them. The trafficker pays a straw purchaser, in money or drugs, to buy 25, 50 or more handguns at a time. The trafficker then resells the guns to those who otherwise could not buy them—such as convicted felons, drug addicts, or children.

The Stop Gun Trafficking Act would prohibit any person from purchasing, and any licensed dealer from selling to an individual, more than one handgun a month. This sensible limit on handgun purchases should substantially reduce gun running, while not creating an unreasonable obstacle to legitimate sportsmen and collectors. Under the law, individuals would still be able to purchase up to twelve handguns per year and hundreds of weapons during a lifetime. It is hard to imagine why anyone would need more handguns.

Last year, I introduced similar legislation. In order to make my colleagues more aware of the deadly problem of gun trafficking, I sponsored a forum on the issue. The testimony I heard at the forum has made me even more determined to pass this legislation and make it more difficult for gun traffickers to obtain and sell their deadly merchandise on our streets.

The witnesses at the forum included: Philadelphia Mayor Ed Rendell, who is also the chair of the Conference of Mayor's Task Force on Gun Violence; James and Sarah Brady; Captain R. Lewis Vass of the Virginia State Police, and Captain Thomas Bowers of the Maryland State Police.

We also heard from a panel of youth from right here in our nation's capital who live with gun violence every day in their communities. And what they had to say was terrifying. Guns were an everyday part of their lives. For these kids, D.C. does not stand for District of Columbia. It stands for Dodge City.

These young people told us that guns are easy to get in their neighborhoods and schools. They call it getting strapped. And if you do not get strapped you might not make it through the day, they said.

One young woman put it eloquently: ''It's not fair,'' she said. ''Other kids get to go to college. We get to go to funerals. These people who sell guns are the real predators. They feed off our pain.''

We must shut these predators down.

And we can shut these predators down by passing this legislation. We know this approach works because three states—Virginia, Maryland, South Carolina—have passed one-gun-a month laws and the results have been dramatic. Gun-trafficking from these states has plunged.

At the forum, officers from the Virginia State Police testified that after Virginia passed its one-handgun-a-month limit in 1993, the number of crime guns traced back to Virginia from the Northeast dropped by nearly 40 percent. Prior to one-gun-a-month, Virginia had been among the leading suppliers of weapons to the so-called ''Iron Pipeline'' that feed the arms race on the streets of Northeastern cities. Furthermore, in 1995, the Virginia Crime Commission conducted a comprehensive study of the one-handgun-a-month limit to determine if the law had achieved its purpose. That study found, and I quote, ''Virginia's one-gun-a-month statute . . . has had its intended effect of reducing Virginia's